

Congressional Budget Justification, FY 2018



Table of Contents

Executive Summary	5
Compacts in Development	8
Threshold Programs in Development	18
Compact Development and Oversight	21
Administrative Expenses	23
Office of the Inspector General	26
Proposed Legislative Changes	27
Appendix: Annual Performance Report	29
Endnotes	77

Executive Summary

(in millions of \$)	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request
Total Appropriation /Request	901.0	905.0	800.0
Compact Assistance	667.0	671.2	577.3
Threshold Programs	30.0	29.9	26.6
Compact Development/Oversight: 609(g) and Due Diligence	94.0	93.9	89.2
Administrative Expenses	105.0	105.0	102.4
Office of the Inspector General	5.0	5.0	4.5

*Numbers may not add due to rounding.

The Millennium Challenge Corporation (MCC) requests \$800 million for FY 2018 for programs in Mongolia, Senegal, Sri Lanka, Togo, and Timor-Leste, as well as to support the development and implementation of programs designed to fight poverty through economic growth in 21 other countries. These countries, which have a combined population of about 118 million people living on less than \$1.90 per day, have earned eligibility for MCC's time-limited grant investments designed to help people lift themselves out of poverty and create more stable, secure countries with new business opportunities abroad for American firms.

FY 2018 funding will allow MCC and partner country governments to tackle binding constraints to economic growth specifically in Mongolia, Senegal, and Sri Lanka—three compact countries that meet MCC's rigorous standards for partner eligibility and are located in strategically significant regions of the world. Each of these countries has proven to be a strong partner dedicated to developing results-driven compact programs that meet MCC's standards for accountability, continued good governance, and broad impact. FY 2018 funds will also support new threshold programs in Togo and Timor-Leste through programs designed to improve policy performance and strengthen institutions to help them become compact-eligible. The compact development process for Burkina Faso, Côte d'Ivoire, Mongolia, Nepal, Philippines, and Tunisia—countries with great potential for economic growth and poverty reduction—is also reliant on FY 2018 funding.

MCC works only with a select group of low and lower-middle income countries that demonstrate a commitment to democratic governance, economic freedom, and rule of law. To date, MCC has signed 33 compacts with 27 different country partners, along with 26 threshold programs, totaling more than \$11 billion in investments.

MCC's business-like approach is based on selectivity, evidence-based decision-making—including transparent economic analyses—country ownership, and accountability, which are widely recognized as key tenets of effective foreign assistance. MCC works closely with the private sector to leverage its expertise and incentivize policy reforms that open up market opportunities. By holding the agency and our partner countries accountable for results and continued good governance, MCC advances American security, values and prosperity.

Investments by MCC have leveraged more than \$6 billion in additional investments and commitments from the private sector and other development partners, including more than \$850 million by partner countries themselves to support compact and threshold program projects in their countries. This level of commitment from partner countries and the international and domestic private sector helps ensure the sustainability of MCC's investments over the long term.

Despite the relatively small portion of U.S. federal funding spent on foreign assistance, it remains one of the greatest values for U.S. taxpayers. In today's global economy, half of all U.S. exports go to developing countries. MCC's compacts with country partners are often the cornerstone of the U.S. economic relationship, and they benefit the American people by strengthening U.S. national security and increasing opportunities for American businesses.

Evidence shows that the primary driver of poverty reduction is broad-based economic growth, and development programs focused on growth-enhancing policy reforms and investments can play a critical role in sustained poverty reduction. In addition to funding large-scale infrastructure projects, MCC helps partner country governments make critical reforms that create an enabling environment for private sector investment and advance project sustainability.

Reducing global poverty creates a more stable, secure world with more opportunities for prosperity at home and abroad. With cost-effective projects, a lean staff, and an evidence-based approach, MCC is a good investment for the American people.

FY 2018 Goals

Full funding of this request will not only advance good governance and economic growth around the world, but also make lasting improvements in the lives of the poor and strengthen institutions so partner countries can better deliver much-needed services to their people.

This request will give MCC the leverage needed to incentivize policy reforms and the resources required to help partner countries realize their full economic potential. Fully funding the Administration's request for MCC will provide the agency the resources it needs to:

- Directly support grants to Mongolia, Senegal, and Sri Lanka.
 - **Mongolia's** compact is expected to focus on a set of specific investment activities to increase bulk water supply and improve water service delivery including groundwater extraction, industrial water reuse, and institutional and regulatory policy strengthening.
 - **Senegal's** compact will likely focus on energy infrastructure, institutional strengthening,

upgrading power transmission and distribution, and improved electricity access in rural areas.

- **Sri Lanka** is developing a compact expected to focus on transportation bottlenecks and access to land for commercial and industrial uses.
- Connect some of the world's poorest people to jobs, markets, and opportunities by helping partner governments deliver services like clean water, reliable electricity, roads, land rights, and schools to their people. About 70 percent of MCC's portfolio is dedicated to large-scale infrastructure in the transportation, agriculture, energy, and water sectors, with nearly two-thirds of the agency's portfolio invested in Africa.
- Leverage MCC investments to promote sustainable growth led by the private sector. MCC's compact programs improve the environment for private business and innovation through significant policy, legal, regulatory and institutional reforms. A vibrant private sector introduces new technologies into and develops innovations for local markets, delivers services, and creates vital employment opportunities, all of which improve the lives and well-being of the poor. These reforms make MCC's partner countries more attractive to foreign investors, including private firms that can partner with public entities through public-private partnerships (PPPs) to more effectively deliver, operate and maintain much-needed services. Though MCC is small in size, its targeted, evidence-based approach and focus on private sector partnerships multiplies its impact.
- Maintain its posture as a data-driven, evidence-based organization. MCC invests heavily in tracking the results of its investments. All MCC-funded projects are evaluated independently, with nearly 40 percent undergoing rigorous impact evaluations led by third-party evaluators.
- Operate with a lean workforce and small overseas footprint while continuing to innovate and improve administrative functions.

Compacts in Development

(in millions of \$)	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request
Total Appropriation /Request	901.0	905.0	800.0
Compact Assistance	667.0	671.2	577.3
Section 605			554.2
Section 609(g) Compact Development Funding (CDF)			23.1

*CDF amounts are estimated using MCC's recent historical average of approximately 4 percent of total compact assistance.

In order to support U.S. global development priorities and maximize the investments available in its candidate pool of poor but relatively well-governed countries, MCC plans to invest \$577 million of the FY 2018 request in new compact programs with Mongolia, Senegal, and Sri Lanka.

The funding projections are based on multiple factors, including the size of the countries' populations and economies, incidences of poverty, absorptive capacities, and need. If fully funded, these investments could significantly advance economic growth and poverty reduction in these important economic and geopolitical partners. As the information provided later in this section details, MCC is actively working with other countries to develop compact programs, including Burkina Faso and Tunisia.

- **Mongolia** shares the entirety of its southern border with China and its northern border with Russia but represents a strong democratic presence in the region. While the country struggles with limited institutional capacity, Mongolia passed MCC's scorecard on the basis of its strong policy performance and was selected for FY 2015 as eligible to develop a second compact. Mongolia's first compact, successfully completed in FY 2013, invested \$285 million in multiple sectors. MCC and the Government of Mongolia have agreed to focus the second compact on water supply in the capital city of Ulaanbaatar and have identified potential projects to increase bulk supply and improve service delivery that will require at least \$345 million in investments.
- **Senegal** is a democratic success story in West Africa with stable institutions and successive free, fair elections that led to a peaceful transition of power in 2012. The country's selection in FY 2016 to develop a second compact reflects its strong policy performance, especially in the areas of battling corruption and protecting political rights. Senegal's first compact, completed in FY 2015, focused on road rehabilitation and water resource management in isolated agricultural areas, aligning with the country's long-term objective to enhance economic growth and food security. MCC and the Senegalese are building on these successes through a compact focused on the energy sector. Challenges in this sector continue to impede private agricultural and commercial development. In FY 2017, the Government of Senegal proposed projects that would invest \$450 million in energy infrastructure, institutional strengthening, upgrading power transmission and distribution, and improved electricity access in rural areas.

- **Sri Lanka** marked the end of a significant internal conflict in 2009 and its successful elections in 2015 and improved performance on MCC scorecard's indicators for political rights and civil liberties enabled the country to graduate from threshold program eligibility to compact eligibility in FY 2017. Despite its progress, Sri Lanka faces continued challenges with post-conflict reconstruction and reconciliation as well as a rapidly urbanizing population that has placed growing strains on its infrastructure. The Government of Sri Lanka has demonstrated a strong commitment to its partnership with MCC by dedicating significant time and effort on the development of its threshold program. Building on this momentum, and with continued high-level government engagement, MCC anticipates accelerated compact development to invest the requested \$440 million in high-return projects to address the country's constraints to growth needs in regional transportation and access to land for commercial and industrial purposes.

The chart below and the subsequent pages provide updates for all of the compacts currently in development, including estimated Board consideration timing and compact sizes. Program and sector data for countries already in implementation can be found online on our public website at www.mcc.gov.

Countries and Appropriations Used (in millions of \$)	Prior Years	FY 2017	FY 2018	Total
<i>Board Consideration in FY 2017:</i>				
Nepal	427	71		498
Côte d'Ivoire	383	167		550
<i>Board Consideration in FY 2018:</i>				
Mongolia	94	166	85	345
Senegal	131	263	56	450
Sri Lanka		4	436	440
<i>Board Consideration in Future Fiscal Years:</i>				
Burkina Faso				TBD
Lesotho				TBD
Philippines				TBD
Tunisia				TBD
Total		671	577	

Compacts in Development as of FY 2017 Q2

			FY 2016				FY 2017				FY 2018				FY 2019	
Co unt ry	Eli gib ilit y FY	Pro jec ted Sig nin g	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Ne pal	201 5	10/ 201 7	Project			Project Development				Ne g.	Implementation Prep				Impleme ntation	
Mo ng olia	201 5	4/2 018	Project Definition							Project Develop ment	Ne g.	Implementation Prep				
Phil ippi nes	201 5	1/2 019	Project Definition							Project Development						
Côt e d' Ivoi re	201 6	10/ 201 7	Elig .	Project Definition				Project Develop ment		Ne g.	Implementation Prep				Impleme ntation	
Sen ega l	201 6	10/ 201 8	Elig .	Preliminary Analysis				Project Definition			Project Development			Ne g.	Impleme ntation Prep	
Sri Lan ka	201 7	10/ 201 8					Elig .	Project Definition			Project Development			Ne g.	Impleme ntation Prep	
Bur kin a F aso	201 7	7/2 019					Elig .	Prelimin ary Analysis		Project Definition			Project Development			
Tu nisi a	201 7	7/2 019					Elig .	Prelimin ary Analysis		Project Definition			Project Development			
Les oth o	201 4	TB D	MCC's Board deferred a vote on Lesotho's continued eligibility in both December 2015 and December 2016 due to ongoing concerns over rule of law and accountability in Lesotho. The Government of Lesotho is working with the Southern Africa Development Community to address the issues driving these concerns, and MCC continues to closely watch their progress.													

Burkina Faso

With new leadership and an ambitious reform agenda focused on poverty and improved performance on the MCC scorecard, Burkina Faso exemplifies the higher bar that MCC has for second compact countries. Its continued policy improvement is clear: despite being one of the poorest countries in Africa, Burkina Faso passed 13 of the 20 MCC scorecard indicators, has shown strong improvement on democratic rights, and has a consistently strong score on the Control of Corruption indicator. MCC's Board of Directors selected Burkina Faso in FY 2017 to develop a second compact and a senior MCC team visited Ouagadougou in early February to launch compact development. MCC's first technical mission, which included consultations with government, civil society, private sector and donor stakeholders, was successfully completed in early May. The Government of Burkina Faso selected a national coordinator and lead economist in April, and should complete the selection of the remaining team members in. Work is underway to complete the constraints to growth analysis by September 2017.

Results of Burkina Faso's 2009 Compact

MCC's \$480 million compact with Burkina Faso, which ended in July 2014, was characterized by Burkina Faso's commitment and high-level engagement. All conditions precedent were met; notably many of these required significant institutional reforms and others required adoption of major new laws by the National Assembly and issuance of 52 implementing decrees and regulations. The compact consisted of projects in the sectors of land reform, agriculture, transportation, and education. The compact successfully trained 8,700 local officials in lands rights and over 13,000 land possession certificates were in process by the end of the compact—well over the original target of 6,000. The multifaceted agriculture project constructed 2,240 hectares of irrigated farmland and rehabilitated a dam, protecting investments from catastrophic flooding. MCC funded the paving, upgrade or periodic maintenance of 525 kilometers of roads by the end of the compact term and invested in the development of a new road maintenance planning tool to facilitate future planning and continued management of the country's road network. The BRIGHT II Schools project built on the education component in the earlier MCC threshold program by investing in the construction of 396 additional classrooms, increasing access to girl-friendly school environments and thereby maintaining girls' participation in primary school.

Côte d'Ivoire

Estimated \$550 million

After years of working to strengthen their policy performance on MCC's indicator scorecard through reforms and data updates, Côte D'Ivoire went from passing just five indicators in FY 2013 to passing 14 indicators in FY 2017. MCC has worked with Côte d'Ivoire since FY 2016 to develop a compact program that builds off the economic analysis work already completed for the country's threshold program, including a constraints to growth analysis and sector diagnostics. Two projects have emerged to address binding constraints in the skills development and transportation sectors. The first project is being designed to improve the employability of Ivoirians and the productivity of the private sector by improving the quality of and access to basic and technical skills in response to private sector demand. The second project will work to increase the competitiveness of Abidjan as the country's growth pole through road

rehabilitation investments to improve the mobility of goods and people along a central corridor in the heart of the city and near the Port of Abidjan. The compact is expected to be presented to MCC's Board for consideration in late FY 2017.

Lesotho

MCC's Board deferred a vote on Lesotho's continued eligibility in both December 2015 and December 2016 due to ongoing concerns over rule of law and accountability. The Government of Lesotho is working with the Southern Africa Development Community to address the issues driving these concerns, and MCC continues to closely watch progress.

Mongolia

Estimated \$345 million

MCC's Board of Directors selected Mongolia for compact assistance in FY 2015 and the Government of Mongolia quickly established a National Secretariat for Compact Development, which completed a constraints to growth analysis that identified costly access to water and sanitation in productive sectors and poor communities as a binding constraint to economic growth. MCC and Mongolia have agreed on a water supply project for Ulaanbaatar as the compact program's principal focus and identified a set of specific investment activities that will increase bulk water supply and improve service delivery in the water sector, including groundwater extraction, industrial water reuse, and institutional and regulatory policy strengthening. MCC is currently assessing these activities for potential inclusion in a compact and expects to present a compact program to MCC's Board by mid-FY 2018.

Results of Mongolia's 2008 Compact

Mongolia completed a \$285 million compact program in September 2013. The multi-faceted program included investments in land tenure, health, vocational education, transportation, and energy. The results included improving property rights for small herders by formalizing over 19,000 land titles, establishing the country's first state-of-the-art medical facility for stroke and heart attack patients, modernizing the vocational education system, constructing a paved 176 km all-weather road to access key trading markets, and the sale of over 100,000 fuel-efficient stoves to reduce air pollution in Ulaanbaatar.

Nepal

Estimated \$498 million

While MCC's Board of Directors selected Nepal for compact assistance in FY 2015, MCC and the Government of Nepal had been engaging on critical policy and institutional reforms since the country was selected in FY 2012 to develop a threshold program. At that time, MCC and Nepal worked together to complete a constraints to growth analysis that identified the inadequate supply of electricity and the high cost of transportation for goods and services as binding constraints to economic growth. Despite challenges associated with the devastating earthquakes in April and May 2015 and blockage of the Indian-

Nepal border that caused severe economic and social hardships, Nepal established a compact development team that worked in a constrained operating environment. The Nepali team submitted proposals focused on large-scale infrastructure investments in the power sector, with a smaller project focused on rehabilitation and maintenance along critical road transport corridors. Having completed feasibility studies and preliminary environmental assessments for the power sector projects, MCC is working closely with the government in considering various options for the final compact program. MCC expects to present Nepal's compact proposal to the MCC Board before the end of FY 2017.

Philippines

The MCC's Board of Directors selected the Philippines as eligible for compact assistance in FY 2015, but, following national elections in May 2016, the Board raised concerns over issues tied to the country's trajectory on human rights, due process, and rule of law. When the Board made country selection decisions for FY 2017, it deferred the vote on continued compact eligibility for the Philippines. While the Board continues to closely monitor the policy environment, the Government of the Philippines continues developing project proposals on agricultural competitiveness and productivity after a jointly completed a constraints to growth analysis identified four binding constraints to economic growth including 1) government coordination and implementation capacity, 2) the high costs of transport logistics, 3) the high cost of electricity, and 4) market failures in the rural economy. In FY 2016, the Philippines submitted preliminary concepts to MCC that seek to address the fourth constraint, rural market failures, with initial ideas for improving public support programs, raising agricultural productivity, and strengthening the infrastructure that allows access to markets.

Results of the Philippines' 2010 Compact

The \$434 million Philippines 2010 Compact, which concluded in May 2016, improved business processes in the Bureau of Internal Revenue, thereby nearly doubling revenue collections, reducing opportunities for corruption, and supporting increased public investment. The compact program also built over 4,000 small-scale community infrastructure projects which benefited nearly one million households, exceeding the original compact targets. In building these projects to help address communal priorities in a sustainable manner, the compact promoted participation by women. The Secondary National Roads Development Project on Samar Island rehabilitated 222 km of a national road using climate-resilient standards and with significant safety enhancements. The road has reduced transportation costs, expanded commerce, and helped to raise the incomes of the island's people.

Senegal

Estimated \$450 million

MCC's Board of Directors selected Senegal for compact assistance in FY 2016. Senegal's eligibility reflected the country's strong performance on MCC's eligibility scorecard, especially on the Control of Corruption and Democratic Rights hard hurdles, showing continuous improvement on Control of Corruption for five straight years, FY 2012 to FY 2017, moving from the 66th to the 96th percentile over that time period. In late FY 2016, MCC and the Government of Senegal completed a constraints to

growth analysis that identified the high cost of energy and a distortive business policy environment as binding constraints to economic growth and private investment in Senegal. By mid-FY 2017, MCC and Senegal agreed to focus potential investments on opportunities to reduce the high cost of energy and improve access to electricity. The government submitted concept notes proposing infrastructure improvements, policy and institutional strengthening in the energy sector, transmission and distribution modernization, and improved electricity access in rural areas. MCC expects the Senegal to submit detailed project proposals for further assessment in early FY 2018.

Results of Senegal's 2009 Compact

The \$540 million compact with Senegal was designed to boost economic growth by unlocking the country's agricultural productivity and expanding access to markets and services through investments in roads and irrigation networks. The two primary compact projects, roads rehabilitation and irrigation and water resource management, were geographically focused in the Senegal River Valley in the north and the Casamance region in the south. The compact priorities aligned with the country's long-term objectives of enhancing economic growth and food security. This compact program closed in September 2015 with completion of the Irrigation and Water Resource Management Project and most of the Roads Rehabilitation Project. Despite challenges in the early years of program implementation, the Government of Senegal committed the funds needed to complete remaining work on an incomplete road in the Casamance region and is actively managing sustainability efforts for all compact investments going forward.

Sri Lanka

Estimated \$440 million

Sri Lanka passes the FY 2017 MCC scorecard by meeting 13 out of 20 indicators, including the hard hurdles on both Democratic Rights and Control of Corruption. In addition, MCC found Sri Lanka to be a high-capacity and committed partner during development of the threshold program in 2016. Given this strong partnership and policy performance, MCC's Board moved Sri Lanka from a threshold program into the compact program in FY 2017. Working with MCC, the Government of Sri Lanka developed a constraints to growth analysis in November 2016 that identified binding constraints in policy uncertainty, access to land, and transport. Following Sri Lanka's selection for compact assistance, an MCC team visited Colombo in January 2017 to launch compact development. Building on the constraints analysis, the government conducted root cause analysis of the binding constraints in March-April 2017 and submitted concept notes for MCC review shortly thereafter.

Tunisia

Tunisia strongly passes MCC's scorecard, but continues to confront major development challenges such as significant inequality and the vulnerability of many citizens falling back into poverty, all of which undermine recent strong democratic gains. A compact with Tunisia provides MCC with a unique opportunity to partner with a high-capacity partner in a critically important region to develop an investment program and consider policy reforms that would support such investment. MCC's Board of

Directors selected Tunisia for compact assistance in FY 2017. An MCC team visited Tunis in January 2017 to launch compact development. The Government of Tunisia appointed a national coordinator, housed in the Ministry of Development, Investment and International Cooperation, to lead its compact development team. The compact development team has begun to draft an updated constraints to growth analysis, the results of which are expected in summer 2017.

Compact Development Process Overview

	1. Preliminary Analysis	2. Problem Diagnosis	3. Project Definition	4. Project Development	5. Negotiation
	Constraints Analysis	Concept Notes	Project Proposals	Investment Memo	Compact
Eligible Country	<ul style="list-style-type: none"> Names a National Coordinator and puts together a compact development team Analyzes constraints to economic growth, opportunities for 	<ul style="list-style-type: none"> Expands compact development team Analyzes key root causes of binding constraints Defines, develops initial project ideas to 	<ul style="list-style-type: none"> Defines and scopes specific projects and activities Builds strong project logic for proposed compact program Identifies intended 	<ul style="list-style-type: none"> Conducts feasibility, environmental and other studies Measures expected economic impact Identifies risks and mitigation measures 	<ul style="list-style-type: none"> Finalizes monitoring and evaluation Negotiates legal, financial, technical terms of program Creates dedicated MCA unit for impl

	1. Preliminary Analysis	2. Problem Diagnosis	3. Project Definition	4. Project Development	5. Negotiation
	Constraints Analysis	Concept Notes	Project Proposals	Investment Memo	Compact
	private investment, and poverty <ul style="list-style-type: none"> • Undertakes broad consultations with stakeholders 	address constraints <ul style="list-style-type: none"> • Submits Concept Notes 	identified beneficiaries <ul style="list-style-type: none"> • Consults stakeholders on project design • Submits detailed Project Proposals 	<ul style="list-style-type: none"> • Begins establishing structure needed in implementation 	implementation
MCC	<ul style="list-style-type: none"> • Staffs a country team • Provides compact development guidance • Advises 	<ul style="list-style-type: none"> • Reviews, approves Concept Notes • Approves concept projects for furthered 	<ul style="list-style-type: none"> • Reviews, approves Project Proposals • Approves projects for full development 	<ul style="list-style-type: none"> • May fund necessary reparatory studies • Oversees, manages procurement 	<ul style="list-style-type: none"> • Notifies Congress of intent to negotiate • Defines budget and commits funds

	1. Preliminary Analysis	2. Problem Diagnosis	3. Project Definition	4. Project Development	5. Negotiation
	Constraints Analysis	Concept Notes	Project Proposals	Investment Memo	Compact
	and assists with analyses	development	ment and appraisal	ts <ul style="list-style-type: none"> • Conducts thorough project appraisal • Makes final decision on projects 	ing <ul style="list-style-type: none"> • Obtains approval of MCC's Board • Signs agreements

Threshold Programs in Development

Threshold Programs (in millions of \$)	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request
Total Appropriation /Request	901.0	905.0	800.0
Threshold Programs	30.0	29.9	26.6

MCC's \$26.6 million request for FY 2018 together with enacted funding from prior years would support new threshold programs with Kosovo, Togo, and Timor-Leste.

Background

MCC's threshold program is a powerful tool assisting promising candidate countries in becoming compact eligible. The threshold program develops robust policy reform and institutional strengthening programs to accelerate the "MCC Effect," which is often used to refer to the power of MCC's selection criteria to encourage countries to reform their policies, strengthen their institutions, and improve their data quality to boost their performance on MCC's scorecard and become eligible for MCC assistance. The threshold program supports better governance in sectors critical to future economic growth and assesses the opportunity for an impactful and cost-effective partnership before committing to a larger compact. MCC uses the same rigorous, evidence-based approach to develop threshold programs as it does in compacts, leading to high-quality investments that maximize systemic impact and lay the foundation for larger investments.

If successfully implemented, these reforms help to reduce constraints to economic growth, increase transparency and accountability, and provide MCC critical information about a candidate country's political will and capacity to undertake the types of reforms that would have the greatest impact on compacts.

Countries with threshold programs are not guaranteed compact eligibility. However, successful implementation of a threshold program yields significant advantages for a potential future compact. For example, a partner country will likely have enhanced its ability to design and implement investments that will generate the greatest results and have a head start on the work necessary to design a high-impact compact.

Threshold Programs in Development

Kosovo

MCC's Board selected Kosovo as eligible to develop a compact in December 2015. As a result of a decline in its scorecard performance, particularly on the Control of Corruption indicator, the Board transferred Kosovo to the threshold program in December 2016. Building on the constraints to growth analysis conducted during compact development, the MCC and Kosovo teams are in the final stage of threshold

program development. MCC expects to sign an approximately \$45 million threshold program agreement during FY 2017. The program will support projects to incentivize energy efficiency and to foster more transparent and accountable governance data. The Board is expected to consider this program in FY 2017.

Togo

The Board selected Togo as a threshold country in December 2015. Togo has shown consistent improvements on the MCC scorecard over the past four years. As a result of a dedicated reform effort, Togo moved from passing 5 of 20 indicators in FY 2014 to 12 of 20 indicators in FY 2017, including the Control of Corruption indicator. MCC and the Government of Togo have worked closely to conduct a constraints analysis and are currently developing projects to support reforms in the information and communications technology (ICT) sector and to improve land rights and administration. MCC expects to sign the threshold program agreement in early FY 2018.

Timor-Leste

Timor-Leste was selected for the Threshold Program in December 2016 and MCC is working with the government on an analysis of Timor-Leste's constraints to economic growth. The Timorese are committed to the new partnership and with the strong support of the U.S. Embassy and USAID, MCC is seeking to develop an economic reform program after the parliamentary elections in July of 2017. MCC expects to conclude development and sign an agreement by the end of FY 2018.

Current Threshold Programs

Honduras

MCC and the Government of Honduras signed a \$15.6 million threshold program agreement in August 2013 to enhance the transparency and efficiency of public financial management, procurement, audit, and oversight of public-private partnerships. In January 2017, the government launched a procurement certification program aimed at improving the transparency, accountability, and quality of public procurement by building the capacity of civil servants and requiring that all procurements above a threshold be managed by certified procurement professionals.

Guatemala

MCC and the Government of Guatemala are partnering to implement a \$28 million threshold program. Signed in April 2015, the program is designed to improve the quality of secondary education. In order to increase government spending in social services like education, MCC is also working with Guatemala to mobilize financial resources through reforms in customs and tax administration and by attracting private capital and structuring public-private partnerships for infrastructure.

Sierra Leone

In November 2015, MCC and the Republic of Sierra Leone signed a \$44 million threshold program

agreement to support policy reforms and improved governance in the water and electricity sectors. By establishing independent regulation, strengthening key institutions, and increasing transparency and accountability, the program will create a foundation for delivery of financially sustainable water and electricity services to the people of Sierra Leone, and limit opportunities for corruption in service delivery.

Compact Development and Oversight

Compact Development and Oversight (in millions of \$)	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request
Total Appropriation /Request	901.0	905.0	800.0
Compact Development/Oversight	94.0	93.9	89.2
609(g) Assistance	19.0	22.0	26.6
Due Diligence	75.0	71.9	62.6

For FY 2018, MCC is budgeting \$27 million for assistance under section 609(g) of MCC’s authorizing statute. In addition, MCC is budgeting \$63 million for due diligence to support programmatic oversight, quality control, and post-completion work, such as data collection and evaluation. A detailed focus on pre-compact planning, program oversight, and post-compact evaluation is critical to the success of MCC program investments and to ensuring that MCC, its partner countries, and the development community are able to take advantage of the learning opportunities inherent in MCC programs.

Specifically, the higher funding level for 609(g) assistance will be used to facilitate the development and implementation of compact programs with existing partner countries, as well as with new partner countries selected in FY 2017: Burkina Faso, Sri Lanka and Tunisia. Due diligence funding will be used for oversight and monitoring of compacts in implementation, the number of which is anticipated to grow in FY 2017 and 2018, and for monitoring and evaluation activities around the closeout of compact programs in Cabo Verde and Indonesia in FY 2018. Due diligence funding will also support MCC’s oversight of threshold programs in implementation and the development of threshold programs with new partners selected in FY 2017—Kosovo, Togo, and Timor-Leste.

609(g) Assistance

Assistance provided under section 609(g) of MCC’s authorizing statute represents less than 4 percent of MCC’s overall request. Nonetheless, 609(g) assistance is critical to the success of compact development and allows MCC to fulfill its goal of developing high-quality compacts more quickly. MCC 609(g) assistance grants help its country partners undertake detailed project preparation work on proposed projects. This preparation includes project design studies, feasibility studies, environmental impact assessments, engineering and geotechnical designs, economic baseline surveys, technical assessments of financial management and procurement capabilities, and other specialized analyses that help partner countries fully prepare projects that can be implemented within the fixed five-year timeframe, within budget, and provide substantial returns to MCC’s investment.

Due Diligence

Due diligence funds allow MCC to obtain the information necessary to evaluate, assess, and appraise proposed projects during compact development, to effectively oversee and monitor projects during compact implementation, and to evaluate the results of compact projects after compact close-out.

MCC uses due diligence funds to procure consultants and technical experts who can provide this kind of support. By allowing MCC to procure such resources as needed, rather than permanently hire full-time technical staff, due diligence funds allow MCC to operate on a lean administrative budget relative to the size and diversity of its investment portfolio.

Due diligence funds support MCC's independent impact evaluations that use rigorous statistical methods to measure changes in beneficiary income related to MCC activities. In addition to offering valuable lessons on how MCC can improve, impact evaluations provide encouraging news about program successes.

Due diligence funds also support data and technical expertise needed for calculating economic rates of return for compact investments. Through pre-investment economic modeling of expected economic rates of return, MCC chooses which investments are most likely to generate benefits, specifically, increased income for program beneficiaries. Economic modeling done after compact closeout helps to assess the cost effectiveness of the agency's investments.

Administrative Expenses

(in millions of \$)	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request
Total Appropriation /Request	901.0	905.0	800.0
Total Administrative Expenses	105.0	105.0	102.4
Human Capital	54.3	54.4	54.7
Training	0.7	1.4	1.0
Overseas Operations	11.3	10.0	8.5
Contracted Services	12.5	11.2	10.9
Information Technology	14.3	14.5	13.6
Rent, Leasehold & Improvements	4.5	3.8	6.0
Travel	6.8	9.0	7.4
Other Administrative Expenses	0.6	0.7	0.5

MCC is projecting up to \$102.4 million in FY 2018 administrative expenses to support its agency operations and lean workforce of just over 300 Full Time Employees (FTE). Learning from experience is engrained in MCC's culture, and as such, the agency continually assesses the efficiency and effectiveness of not only its program funding but also its administrative expenses.

In this spirit, and in alignment with MCC's strategic goals, MCC launched an effort in FY 2016 to enhance the efficiency and productivity of the agency and its workforce. Focused on enabling productive and efficient decision-making and executing strong workforce planning and performance management, the effort has MCC well-positioned to meet the Administration's desire for a lean, accountable, and more efficient government. In FY 2017 and FY 2018, MCC will implement major efficiency efforts and make related investments to improve knowledge management and performance management systems and practices, while continuing to seek cost-savings through strategic IT and related investments.

Human Capital

MCC is budgeting \$55 million for human capital expenditures, a modest increase above the FY 2017 level to account for the government-wide civilian pay raise, while projecting a small decrease in the agency's

planned FTE count. MCC looks across its entire human capital and contracted services portfolio (FTEs, personal service contractors, and service contractors) with the intent to right-size the human capital budget while utilizing the most appropriate hiring authorities to maximize efficiencies.

MCC also continues to make strategic investments to better manage these human capital resources. MCC's implementation of a new performance management system in FY 2017 to support evaluation of FTEs is one example of the steps taken to maximize employee performance and accountability. As a complement to this effort, in FY 2018 MCC plans to roll out a new workforce planning and management system to inform strategic staffing decisions and ensure human capital resources are consistently directed to highest-priority needs. MCC is also undertaking an effort to refine its knowledge management system and business processes, which will allow the agency to strengthen program quality and impact, expedite problem solving through efficient access to needed knowledge, enhance onboarding practices, institutionalize agency learning, and develop programs faster, all of which will help to decrease costs and increase efficiency.

Overseas Operations

MCC is budgeting \$8.5 million to support its overseas administrative operations. This budget will support an overall in-country presence for 20 compacts and threshold programs during FYs 2017 and 2018. Overseas operations costs for each country include salaries and benefits, rent, residential allowance, relocation expenses, travel, shipping, office and residential furniture, IT equipment, official vehicles, and International Cooperative Administrative Support Services (ICASS) costs for a small in-country footprint of U.S. and locally employed personnel. Although the agency plans to manage direct overseas support costs at a lower level, MCC may continue to face upward pressure associated with ICASS and Capital Security Cost-Sharing (CSCS) as changes in country mission sizes, as well as other initiatives the Department of State requires to maintain and operate embassy compounds and therefore force greater burden sharing.

Operational Efficiencies

As a small, independent agency, MCC continually looks for opportunities to save resources and time by leveraging shared systems and services offered by other federal agencies or other providers—like procurement, financial management and accounting systems. For example, in FY 2017 and FY 2018, MCC is integrating a new contract management system, Contract Lifecycle Management System (CLMS), into its financial management system through the agency's partnership with the Department of the Interior. This integration will save employees time, and the agency will reduce the risk of errors when transferring contract data. Over the next 10 years, it is anticipated that the CLMS investment will save the agency approximately \$2 million in comparison to procuring or building a standalone system, while also ensuring MCC satisfies outstanding audit concerns. Similarly, in FY 2017, MCC migrated its IT server infrastructure to a cloud service provider, which is anticipated to save the agency \$6 million over the next 10 years. MCC continues to use these savings to fund additional capital investments in software systems to automate core agency business processes (e.g. annual selection database, quarterly compact reporting system, compact performance data analytics, employee performance planning and evaluation).

Rent

As part of reducing MCC's footprint, the agency successfully moved headquarters staff into a new property in FY 2016 and, as part of the negotiated lease, experienced the benefit of no lease payments for a portion of FY 2016 and 2017. However, MCC is expected to pay for a full year rent obligation of \$6 million at the new headquarters location for the first time during FY 2018.

Office of the Inspector General

(in millions of \$)	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Request
Total Appropriation /Request	901.0	905.0	800.0
Office of the Inspector General	5.0	5.0	4.5

The Office of the Inspector General is requesting \$4.5 million for audit expenses in FY 2018.

The USAID Office of the Inspector General will continue to conduct financial and performance audits and reviews of MCC and Millennium Challenge Account entity activities, as well as oversee and review MCC's annual external audit.

Proposed Legislative Changes

Using Concurrent MCC Compacts to Advance Regional Economic Integration

MCC is seeking to change the Millennium Challenge Act of 2003, as amended, to allow for concurrent compact authority in order to maximize the economic impact of its work through regional investments. After more than 13 years of successfully delivering large, complex infrastructure projects coupled with supporting difficult policy reforms in partner countries, MCC is well-positioned to increase the impact of its investments by focusing regionally in some cases.

Concurrent compacts would allow MCC to complement its proven country-focused model with the ability to develop regionally oriented investments. MCC will be able to simultaneously research and work with multiple eligible countries in a region to identify, negotiate, and eventually fund investments that would have a positive economic impact for each country involved as well as the region. By making coordinated investments across multiple countries to expand existing infrastructure, MCC will be able to help partners work together to build and grow regional markets, facilitate trade, and foster greater impact through economies of scale. This, in turn, will help generate new business and market opportunities for U.S. and other companies by making it cheaper, easier, and faster for businesses to get their products to new, emerging regional markets.

At present, MCC has the authority to sign and implement only one compact at a time with any given partner country. As a result, MCC cannot move forward on multi-country investments to advance regional economic integration. This is especially true in places where MCC is heavily invested, such as Africa—with its 54 countries, no economies of scale—and in sectors such as infrastructure, where MCC has invested 70 percent of its more than \$11 billion dollar portfolio. For instance, in December 2015, MCC selected Côte d'Ivoire as eligible to develop a compact. Several existing MCC compact partners are neighbors of Côte d'Ivoire, including Burkina Faso, Ghana, and Liberia. The ability to sign concurrent compacts would enable MCC to improve trade and investment between and among these MCC partner countries by promoting cross-border engagement, and thereby economic growth.

The authority MCC is seeking would allow the agency to maintain its focused, data-driven model for country and project selection. Projects will still be required to undergo a rigorous economic analysis and have an economic rate of return that ensures the program logic is geared toward a measurable impact on poverty. Regional investments will employ MCC's local implementation and accountability, allowing for multiple bilateral compacts to be knitted together into a regional project. Concurrent compact authority will allow MCC to develop regional projects while still adhering to the agency's important country-owned processes that demand accountability and the core elements of MCC's operational model to produce high returns on investments. In any regional investment, MCC would continue its:

- **Transparent process for selecting the best-governed poor countries.** Selection of regional investments would be based upon the existing country selection system; countries selected by the Board as eligible for bilateral compacts would also be eligible for regional investments.

- **Use of economic analysis to choose investments.** Regional investments would be selected based on economic analysis of project returns. The preliminary economic rates of return (ERRs) will need to show returns above MCC’s hurdle rate, five-year timeline feasibility, manageable environmental and social risks, implementation of policy and institutional reforms, private sector engagement, and sustainability.
- **Commitment to suspend or terminate investments when appropriate.** MCC recognizes that one of the risks inherent in regional investments is that one or more of the countries involved in the partnership may not perform well or may suffer governance declines inconsistent with continued MCC engagement. MCC is committed to suspend or terminate regional investments as appropriate, just as it is with bilateral investments.

The text of the proposed statutory change is as follows:

SEC. X. MILLENNIUM CHALLENGE COMPACT

- a. IN GENERAL.—Section 609 of the Millennium Challenge Act of 2003 (22 U.S.C. 7708) is amended—
1. in subsection (k), by striking the first sentence;
 2. by redesignating subsection (k) as subsection (l); and
 3. (3) by inserting after subsection (j) the following:
“(k) **CONCURRENT COMPACTS.**—An eligible country that has entered into and has in effect a Compact under this section may enter into and have in effect at the same time not more than one additional Compact in accordance with the requirements under this title if—
 1. one or both of the Compacts are or will be for the purposes of regional economic integration, increased regional trade, or cross-border collaborations; and
 2. the Board determines that the country is making considerable and demonstrable progress in implementing the terms of the existing Compact and supplementary agreements thereto.”.
- b. **CONFORMING AMENDMENT.**—Section 613(b)(2)(a) of such Act (22 U.S.C. 7712(b)(2)(A)) is amended by striking “the” before “Compact” and inserting “any”.
- c. **APPLICABILITY.**—The amendments made by this section shall apply with respect to Compacts entered into between the United States and an eligible country under the Millennium Challenge Act of 2003 before, on, or after the date of the enactment of this Act.

Appendix: Annual Performance Report

Compact Signing Amounts and Key Dates (in millions of \$)*

Partner Country	Compact Amount	Signing	Entry Into Force	Closed Dates
Madagascar	109.8	4/18/2005	7/27/2005	8/31/2009
Honduras	215.0	6/14/2005	9/30/2005	9/30/2010
Cabo Verde	110.1	7/5/2005	10/18/2005	10/17/2010
Nicaragua	175.0	7/15/2005	5/26/2006	5/26/2011
Georgia	395.3	9/12/2005	4/7/2006	4/7/2011
Benin	307.3	2/22/2006	10/6/2006	10/6/2011
Vanuatu	65.7	3/2/2006	4/28/2006	4/28/2011
Armenia	235.7	3/27/2006	9/29/2006	9/29/2011
Ghana	547.0	8/1/2006	2/16/2007	2/16/2012
Mali	460.8	11/13/2006	9/18/2007	8/24/2012
El Salvador	460.9	11/29/2006	9/20/2007	9/20/2012
Mozambique	506.9	7/13/2007	9/22/2008	9/22/2013
Lesotho	362.6	7/23/2007	9/17/2008	9/17/2013
Morocco	697.5	8/31/2007	9/15/2008	9/15/2013
Mongolia	284.9	10/22/2007	9/17/2008	9/17/2013
Tanzania	698.1	2/17/2008	9/17/2008	9/17/2013
Burkina Faso	480.9	7/14/2008	7/31/2009	7/31/2014
Namibia	304.5	7/28/2008	9/16/2009	9/16/2014
Senegal	540.0	9/16/2009	9/23/2010	9/23/2015
Moldova	262.0	1/22/2010	9/1/2010	9/1/2015
Philippines	433.9	9/23/2010	05/25/11	5/25/2016
Jordan	275.1	10/25/2010	12/13/11	12/13/2016
Malawi	350.7	4/7/2011	9/20/2013	
Indonesia	600.0	11/19/2011	4/2/2013	
Cabo Verde, 2012	66.2	2/10/2012	11/30/2012	

Partner Country	Compact Amount	Signing	Entry Into Force	Closed Dates
Zambia	354.8	5/10/2012	11/15/2013	
Georgia, 2013	140.0	7/26/2013	7/1/2014	
Ghana, 2014	498.2	8/5/2014	9/6/2016	
El Salvador, 2014	277.0	9/30/2014	9/9/2015	
Benin, 2015	375.0	9/9/2015		
Liberia	256.7	10/2/2015	1/20/2016	
Morocco, 2015	450.0	11/30/2015		
Niger	437.0	7/29/2016		

*Please note that the values above are the signed compact amounts and do not reflect lower actual expenditures due to early terminations or funds for a compact not being fully spent. The table on the next page reflects the net obligations/commitments associated with each compact.

Compact Obligations and Commitments \$ in millions

Comp act	2010 & Prior	2011	2012	2013	2014	2015	2016	2017	2018	Total
Closed Compacts	\$7,405	-	-	-	-	-	-	-	-	\$7,405
Benin	-	-	-	207	-	168	-	-	-	375
Cabo Verde	-	-	66	-	-	-	-	-	-	66
El Salvador	8	-	109	160	-	-	-	-		277
Georgia	-	-	140	-	-	-	-	-		140
Ghana	17	-	-	283	198	-	-	-		498
Indonesia	55	545	-	-	-	-	-	-		600
Liberia	-	-	-	-	-	257	-	-		257

Comp act	2010 & Prior	2011	2012	2013	2014	2015	2016	2017	2018	Total
Malaw i	210	141	-	-	-	-	-	-		351
Moroc co	60	51	3	1	169	166	-	-		450
Niger	58	-	-	-	-	-	379	-		437
Zambi a	-	-	355	-	-	-	-	-		355
Active Comp acts	\$408	\$737	\$673	\$651	\$367	\$591	\$379	-	-	\$3,806
Mong olia	89	2	-	-	-	3	-	166	85	345
Côte d'Ivoir e	65	-	-	9	272	10	27	167	-	550
Nepal	50	-	58	10	-	69	240	71		498
Seneg al	52	-	2	2	50	5	22	262	56	450
Sri Lanka	-	-	-	-	-	-	-	4	436	440
In Dev elopm ent	\$256	\$2	\$60	\$21	\$322	\$87	\$289	\$670	\$577	\$2,283
Total	\$8,068	\$739	\$733	\$672	\$689	\$677	\$668	\$670	\$577	\$13,494

Threshold Program Agreements Signing Amounts (in millions of \$)

Country	Sub-Saharan Africa	Eurasia	Latin America	Middle East and North Africa	Signing Date	Completi on Date
Burkina Faso	12.9				7/22/2005	9/30/2008
Malawi	20.9				9/23/2005	9/30/200

Country	Sub-Saharan Africa	Eurasia	Latin America	Middle East and North Africa	Signing Date	Completion Date
						8
Albania, 2006		13.9			4/3/2006	11/15/2008
Tanzania	11.2				5/3/2006	12/30/2008
Paraguay, 2006			34.6		5/8/2006	8/31/2009
Zambia	22.7				5/22/2006	2/28/2009
Philippines		20.7			7/26/2006	5/29/2009
Jordan				25.0	10/17/2006	8/29/2009
Indonesia		55.0			11/17/2006	12/31/2010
Ukraine		44.5			12/4/2006	12/31/2009
Moldova		24.7			12/14/2006	2/28/2010
Kenya	12.7				3/23/2007	12/31/2010
Uganda	10.4				3/29/2007	12/31/2009
Guyana			6.7		8/23/2007	2/23/2010
São Tomé & Príncipe	8.7				11/9/2007	4/15/2011
Kyrgyz Republic		16.0			3/14/2008	6/30/2010
Niger	23.1				3/17/2008	12/31/2015
Peru			35.6		6/9/2008	9/30/2012
Rwanda	24.7				9/24/2008	12/31/2011
Albania, 2008		15.7			9/29/2008	7/31/2011
Paraguay, 2009			30.3		4/13/2009	7/31/2012

Country	Sub-Saharan Africa	Eurasia	Latin America	Middle East and North Africa	Signing Date	Completion Date
Liberia	15.1				7/6/2010	12/1/2013
Timor-Leste		10.5			9/22/2010	3/31/2014
Honduras			15.6		8/29/2013	In progress
Guatemala			28.0		4/8/2015	In progress
Sierra Leone	44.4				11/17/2015	In progress

Results of Recently Closed Compacts

Jordan

Jordan is one of the most water-scarce countries in the world, and severe water shortages constrain economic opportunities and impact daily life. MCC's Jordan Compact invested \$275 million to boost income and reduce poverty in Zarqa Governorate by increasing the supply of water available to households and businesses and improvements in the efficiency of water delivery, wastewater collection and wastewater treatment.

Policy Reforms	<ul style="list-style-type: none"> • Development and implementation of a cost recovery plan by the Government, including tariff reforms, to achieve full cost recovery of its water utility in Zarqa. The Water Authority of Jordan-Zarqa improved its cost recovery ratio over the course of the compact and expects to achieve full cost recovery for operations and maintenance by 2019. • Environmental requirements, including an improved regime for the disposal of sludge according to international standards. The Ministry of Water and Irrigation will soon float a tender for the construction of the first mono landfill for the disposal of sludge and biosolids and for electricity generation. • Co-investment by the Government, including \$74 million in complementary projects in Zarqa.
Outputs	<p>Water Network Project</p> <ul style="list-style-type: none"> • Construction of over 860 km of water pipes, a pump station, installation of over 40,000 household water meters, and construction of a new utility administration building. • Reduced commercial and physical water losses from 62% to 51%, helping the government manage increased pressure on their water resources due to population growth driven by the refugee crisis. Losses in MCC project areas are estimated to be half of those in other parts of the system. • Nearly 3,600 National Aid Fund households were supplied with improved water and wastewater as a result of the Water Smart

Homes Activity. Thirty women received training and tools to become self-employed as plumbers, meeting a need within the community to sustain water improvements and properly manage resources.

Wastewater Network Project

- Construction of over 300 km of new sewer pipes in the neighborhoods of East and West Zarqa, West Ruseifa, and Princess Haya, which had lacked access to the sewer network.
- More than 8,700 connections to wastewater pipes.
- More than 54,800 people connected to the new wastewater system.

As-Samra Wastewater Treatment Plant Expansion Project

- Increased the amount of treated water used for agriculture in the Jordan Valley to over 100 cubic meters per year, meeting an estimated 10% of Jordan's total water demand.
- As-Samra Wastewater Treatment Plant (WWTP) has the capacity to treat up to 70% of Jordan's wastewater, providing up to 133 million cubic meters of reusable water a year for farmers and businesses.

Preliminary and Expected Outcomes	<ul style="list-style-type: none"> • The Water Network Project is expected to benefit approximately 302,000 households (1,634,000 individuals) over 20 years. • The Wastewater Network Project will provide direct benefits to the residents of East Zarqa, West Zarqa, Princess Haya and adjacent neighborhoods, where up to 23,004 households (126,522 individuals) will have opportunities to connect to new lateral sewer lines over the next 20 years and forego the installation, maintenance and potential health risks associated with the use of cesspits in an urban environment. • Together with the Wastewater Network Project, the As-Samra Expansion Project will benefit approximately 375,000 households (2,023,000 individuals) in Amman and Zarqa Governorates. These households will benefit from additional supplies of freshwater that will be transferred to these areas as larger volumes of treated wastewater become available for substitution in agriculture in the Jordan Valley. This includes approximately 8,500 households in the Jordan Valley (46,000 individuals) that are expected to benefit from consistent supplies of high-quality treated wastewater that can be used for irrigation. • The large influx of refugees into Jordan has increased the potential number of beneficiaries for the Compact. These numbers will be revised when the closeout ERR is calculated.
--	---

Evaluations	<p>Water & Wastewater Network Projects</p> <ul style="list-style-type: none"> • An independent evaluator is implementing a rigorous impact evaluation, the first of its kind in Jordan, to assess the impacts of the water and wastewater network projects on household income. • The evaluation will include a water balance analysis to estimate the magnitude and economic impacts of changes in the availability of freshwater and recycled treated wastewater. • Given the influx of refugees into Zarqa and Amman, the evaluation will include a detailed refugee survey to understand how they are benefitting from the Compact investments. • MCC is collecting detailed monitoring data on the network and at the utility to better understand how water delivery and wastewater collection evolve in Zarqa after the Compact. • The evaluation is anticipated to be completed in 2019 after a 3-year exposure period, with a final report in 2021.
--------------------	--

Philippines

The \$434 million Philippines Compact sought to support reforms and investments to modernize the Bureau of Internal Revenue to increase fiscal space for public investment and reduce opportunities for corruption in tax administration as well as expand and enhance a community-driven development project to empower communities and encourage economic growth through small-scale infrastructure projects, and, finally, rehabilitate a secondary national road connecting the provinces of Samar and Eastern Samar, two of the poorest regions of the country.

Policy Reforms	Revenue Administration Reform Project <ul style="list-style-type: none">• Under the project, the Government of the Philippines (“Government”) procured the advisory services of the International Monetary Fund Fiscal Affairs Department to strengthen core tax administration functions and policies, including registration, filing, payment, audit, and collection enforcement (arrears management). The project also supported reforms in cross-cutting areas such as strategic planning, compliance improvement strategy, governance arrangements, organizational changes and VAT administration. KALAHI-CIDSS <ul style="list-style-type: none">• This project introduced innovations in gender integration and environmental and social performance in the implementation of about 4,000 community-driven development projects across the country. These innovations include a gender toolkit, a Thematic Environmental Management System, as well as technical assistance to assure that high-risk projects received the engineering oversight required for quality infrastructure. Based on the project’s success, the Government has adopted and incorporated these innovations into its National Community-Driven Development Program, which was launched in 2014. Secondary National Roads Development Project
-----------------------	--

- **Enhanced construction and safety standards for large-scale infrastructure projects.** The Department of Public Works and Highways (DPWH) updated its design standards for road construction to incorporate specifications and standards to account for increased frequency and intensity of extreme climate conditions.
- **Community involvement.** Under the project, DPWH and the Department of Social Welfare and Development (DSWD) established a community-managed road maintenance program, whereby residents along the project road were recruited to help with routine road maintenance works under the supervision of the local DPWH to ensure sustainability.
- **Anti-trafficking in persons (Anti-TIP) safeguards.** The project led to the institutionalization of a zero-tolerance anti-TIP policy by DPWH across its works. The project funded education and community awareness campaigns on this topic and established partnerships and capacity building with local government to formalize governance mechanisms to ensure sustainability.
- **Gender inclusivity.** Through the project, DPWH adopted gender-inclusive initiatives in its standard operating procedures to ensure gender equity in the recruitment and promotion of contractors.
- **National Greening Program.** The project supported the implementation of a robust Tree Replacement Program in which more than 700,000 trees were planted to replace those affected

		<p>by the project.</p> <ul style="list-style-type: none"> • “The MCC 6.” Beyond the direct policy reforms, the Government advanced an open government initiative based on MCC’s scorecard model. Under this initiative, six government agencies were required to publicly report on their performance and be open to evaluations. Quarterly public fora have continued and participation by government agencies continues to grow.
Outputs	Revenue Administration Reform Project <ul style="list-style-type: none"> • A new electronic tax information system was developed and implemented in the 13 largest Revenue District Offices. In addition, auditing tools were automated in the large taxpayer services unit offices to modernize revenue administration and mitigate risks of corruption within the Bureau of Internal Revenue (BIR) and the Department of Finance (DOF). • A unique partnership with the IMF was forged to provide technical assistance on tax administration. • The Revenue Integrity Protection Service Activity (“RIPS Activity”) supported RIPS, an anti-graft investigation unit within DOF through acquisition and customization of case management software, a related data depository system, and training. To date, 220 people had been charged with graft, corruption, lifestyle and/or criminal cases. • An innovative and creative public awareness campaign about tax compliance and reforms at BIR has won local awards for the effectiveness of its message and 	

production.

KALAHI-CIDSS

- Construction of over 4,000 small-scale, community-driven development projects – surpassing the revised target of 3,217 – provided benefits to nearly 1 million households. This suite of projects included over \$1 million worth of gender-focused projects, such as non-traditional skills training for women, women support shelters, and maternity services.

Secondary National Roads Development Project

- Rehabilitation of 222 km of National Road on Samar Island, one of the poorest areas of the country. Under the project, 175 km of works were fully completed, included upgrading nearly 700 drainage structures (including 59 bridges) to new, climate-resilient standards. The remainder was substantially completed and open for pedestrian and vehicular traffic by compact end date. The road withstood two typhoons of historical proportions during the compact and played a vital role in the region's recovery by providing invaluable connectivity to the fifteen municipalities along the road and immediate employment opportunities to more than 2,000 local residents in the aftermath of the storms.

Preliminary and Expected Outcomes	<p>Revenue Administration Reform Project</p> <ul style="list-style-type: none"> • This project has improved effective revenue collection and administration, allowing BIR to collect additional revenue from new and existing business registrants. An estimated 125,000,000 Filipinos over the next 20 years are expected to see an increase in material welfare as a result of increased public expenditures and investments <p>KALAHI-CIDSS</p> <ul style="list-style-type: none"> • This project has advanced the responsiveness of local governments to community needs, encouraging communities to engage in development activities and delivering benefits to “barangay” (village) residents through the individual sub-projects. The over 4,000 sub-projects are also expected to continue directly benefiting 5,215,000 residents of barangays in municipalities selected for the project. <p>Secondary National Roads Development Project</p> <ul style="list-style-type: none"> • Lower vehicle operating costs and reduced travel times for road users, including passenger and freight travel. The project is expected to benefit 282,000 users and owners of motorized vehicles using the road and contribute to \$205.1 million increase in income over 25 years through time savings, increased frequency of travel, and lower vehicle operating costs.
--	---

Evaluations	<p data-bbox="384 178 984 216">Revenue Administration Reform Project</p> <ul data-bbox="483 254 1019 800" style="list-style-type: none"> • MCC has contracted an independent evaluator to: (1) review BIR's efforts to re-engineer its policies and practices through process evaluation of eTIS, automated auditing tools and techniques, Revenue Integrity Protection Services and IMF Technical Assistance; and (2) conduct baseline and follow-up analysis of a survey of taxpayers and officials for assessing project performance. The evaluation reports are completed and posted on MCC's website. <p data-bbox="384 842 597 879">KALAHI-CIDSS</p> <ul data-bbox="483 917 1019 1682" style="list-style-type: none"> • MCC contracted an impact evaluation of K-C projects that will also inform the scale-up of the Government's national community driven development project by, among other things, revealing deficiencies and identifying successes. The baseline data and interim reports have been completed and posted on MCC's website. The evaluation report for the third-round survey is expected in 2017, followed by endline data in February 2018. • MCC also commissioned a cost study to document the costs and quality of infrastructure built via community-driven development versus centrally-planned projects. The study is currently under peer review. <p data-bbox="384 1724 1000 1761">Secondary National Roads Development Project</p> <ul data-bbox="483 1799 1019 1944" style="list-style-type: none"> • MCC expects to contract an independent contractor to (1) determine the post-compact ERR using HDM-4 analysis, (2) assess
--------------------	--

	<p>the road maintenance regime, (3) analyze the composition of road users, and (4) assess the transportation market structure. The evaluation is scheduled to be completed in fall 2019, after a three-year exposure period, with a final report to be submitted in 2020.</p>
--	---

Compact Modifications

MCC employs a risk-based approach to the management of its portfolio and uses a number of mechanisms to manage projects that face potential major modifications, including:

- Quarterly portfolio reviews of all compacts, with a focus on high-risk projects and activities;
- Early identification of high-risk projects;
- Close collaboration with partner countries to develop plans to prevent, mitigate and manage project restructuring; and
- Approval of modifications at the appropriate level.

MCC also conducts due diligence on programs in advance of compact signing to increase the reliability of technical, cost, and other estimates. During compact development, MCC makes project design modifications to mitigate potential completion risk, currency fluctuations and the potential for construction cost overruns.

Summary of Restructurings and Reallocations in FY 2016

	Project/Activity	Programmatic Change	Description
Indonesia	Green Prosperity Project / Green Prosperity Facility Activity (\$242 million)	Reallocation of \$37.9 million of funding from the Green Prosperity Facility for other compact uses, in response to the change of activities in the Facility	Grantee intake for the GP Facility ended in early 2016. With less than two years remaining to implement activities funded by the GP Facility, MCA-Indonesia determined that no further intake could occur without compromising the quality of activities or possible completion risk. As

	Project/Activity	Programmatic Change	Description
			<p>a result, excess funding in the GP Facility (\$37.9 million) was reallocated from the GP Facility to the Community Based Nutrition Project (\$4.7 million), the Procurement Modernization Project (\$15.1 million), and within the PLUP Activity (\$18.1 million). To comply with the compact, the PLUP Activity now covers a total of 45 districts rather than the original 26 districts. An additional \$16.6 million was reallocated to finance the expansion of the PLUP Activity and \$1.5 million was reallocated to mapping peatland hydrology in four priority districts in partnership with Indonesia's Peatland Restoration Agency. Under the Procurement Professionalization Activity, MCC is developing specialized training modules for the ministries of Public Works, Transportation, and</p>

	Project/Activity	Programmatic Change	Description
			Finance. The reallocation expanded the reach of the project, framework contracting and procurement management information system sub-activities for the ministries.

Estimating Compact Beneficiaries and Benefits

Under MCC's results framework, beneficiaries are defined as an individual and all members of his or her household who will experience an income gain as a result of MCC interventions. We consider that the entire household will benefit from the income gain and counts are multiplied by the average household size in the area or country. The beneficiary standard makes a distinction between individuals participating in a project and individuals expected to increase their income as a result of the project. Before signing a compact, MCC estimates the expected long-term income gains through a rigorous benefit-cost analysis. MCC may reassess and modify its beneficiary estimates and/or the present value of benefits when project designs change during implementation.

Compact ^{1 2}	Estimated Number of Beneficiaries	Estimated Long Term Income Gain Over the Life of the Project (PV of Benefits) ³
Armenia	428,000	\$295,500,000
Benin	14,059,000	\$409,600,000
Burkina Faso	1,181,000	\$151,000,000
Cape Verde 2005	385,000	\$149,300,000
Cape Verde 2012	604,000	\$112,900,000
El Salvador 2006	706,000	\$377,800,000
El Salvador 2014	6,446,000	\$224,500,000
Georgia 2005	143,000	\$301,300,000
Georgia 2013	1,770,000	\$338,000,000
Ghana	1,217,000	\$733,100,000
Honduras	1,705,000	\$237,300,000

Compact ^{1 2}	Estimated Number of Beneficiaries	Estimated Long Term Income Gain Over the Life of the Project (PV of Benefits) ³
Indonesia ⁴	1,700,000	\$217,000,000
Jordan	3,000,000	\$398,900,000
Lesotho	1,041,000	\$485,000,000
Madagascar	480,000	\$123,200,000
Malawi	983,000	\$567,200,000
Mali	2,837,000	\$393,600,000
Moldova	414,000	\$206,100,000
Mongolia	2,058,000	\$314,800,000
Morocco	1,695,000	\$805,400,000
Mozambique	2,685,000	\$288,900,000
Namibia	1,063,000	\$310,400,000
Nicaragua	119,000	\$83,500,000
Philippines	125,822,000	\$464,400,000
Senegal	1,550,000	\$625,000,000
Tanzania	5,425,000	\$1,474,000,000
Vanuatu	39,000	\$73,800,000
Zambia	1,200,000	\$306,600,000
Total for All Compacts ⁵	180,754,000	\$10,468,000,000

Portfolio by Sector

Investments by Sector

Sector	Amount (\$ Millions)
Transportation (Road, Water & Air)	\$2,992.1
Agriculture	\$1,963.6
Health, Education & Community Services	\$1,673.5

Sector	Amount (\$ Millions)
Water Supply & Sanitation	\$1,088.6
Program Administration & Monitoring	\$1,201.0
Governance	\$640.6
Energy	\$1,491.1
Financial Services	\$159.8
Total	\$11,210.4

Results by Sector

Sector	Indicator	Total Portfolio Actuals (cumulative value 2005-present)	Data Points (number of compacts)	Active and Completed Countries Tracked (underlined indicates still active)
Roads	Temporary employment generated in road construction	49,822	6	Armenia, Burkina Faso, Cabo Verde, El Salvador, El Salvador II, Georgia, Ghana, Honduras, Mali, Moldova, Mongolia, Mozambique, Nicaragua, Philippines, Senegal, Tanzania, Vanuatu
	Kilometers of roads completed	3,035	15	
Agriculture & Irrigation	Farmers trained	309,997	14	Armenia, Burkina Faso, Cabo Verde, El Salvador, Georgia, Ghana, Honduras, Indonesia, Madagascar, Mali, Moldova, Morocco, Mozambique,

Sector	Indicator	Total Portfolio Actuals (cumulative value 2005-present)	Data Points (number of compacts)	Active and Completed Countries Tracked (underlined indicates still active)
	Farmers who have applied improved practices as a result of training	126,592	10	Namibia, Nicaragua, Senegal
	Hectares under improved irrigation	203,963	8	
	Value of agricultural and rural loans	\$87,074,694	9	
Water & Sanitation	Temporary employment generated in water and sanitation construction	21,241	6	Cabo Verde II, El Salvador, Georgia, Ghana, Jordan, Lesotho, Mozambique, Tanzania, Zambia
	People trained in hygiene and sanitary best practices	12,135	6	
	Water points constructed	1,181	3	
	Operating cost coverage	104%	3	
	Access to improved water supply	53%	2	
Education	Students participating	215,399	7	Burkina Faso, El Salvador, El Salvador II, Georgia II, Ghana, Mongolia, Morocco, Namibia
	Facilities completed	758	6	
	Graduates from MCC-supported education activities	62,211	5	
Land	Legal and regulatory reforms adopted	123	7	Benin, Burkina Faso, Cabo Verde II, Ghana, Indonesia, Lesotho, Madagascar, Mali, Mongolia, Mozambique, Namibia, Nicaragua, Senegal
	Stakeholders trained	75,522	11	
	Land administration offices established or upgraded	384	8	
	Parcels corrected or incorporated in land system	329,659	8	
	Land rights formalized	312,381	7	

Sector	Indicator	Total Portfolio Actuals (cumulative value 2005-present)	Data Points (number of compacts)	Active and Completed Countries Tracked (underlined indicates still active)
Power	Kilometers of lines completed	4,294	3	El Salvador, Georgia, Ghana, Ghana II, Indonesia, Liberia, Malawi, Mongolia, Tanzania

Sector Results at a Glance

Numbers are cumulative since the agency's founding in 2004 and current as of March 2017.

Once a country is selected as eligible to develop a compact or threshold program, the first step in MCC's process is to work with partner country officials to conduct a rigorous, joint analysis that identifies the most binding constraints to economic growth. These results help prioritize MCC's investments in the areas that are the biggest impediments to private investment and poverty reduction and may include access to credit, governance, electricity, transportation or education. Constraints to growth are different for each country and ultimately drive MCC's investment strategy. Below are highlights of MCC's sector investments that have emerged from this analysis.

Power

2,668 miles of electricity lines completed

MCC is making major investments in the energy sector to reduce energy poverty in **Benin, Ghana, Liberia, Malawi** and **Sierra Leone**, while encouraging power sector reforms that complement infrastructure investments. In **Liberia**, MCC's compact funds the rehabilitation of a hydropower facility to increase the amount of generated electricity, facilitate lower overall electricity rates, and increase the reliability and adequacy of electricity. In **Ghana**, the government took significant steps to revitalize its power sector by inviting the private sector to invest in its national utility. Preparation for implementing a compact with **Benin** continues while significant construction works for large-scale, on-grid generation, transmission and distribution projects are underway in **Malawi**, as well as smaller-scale, on- and off-grid energy projects in **Indonesia**. In **Sierra Leone**, MCC began carrying out its threshold program to build the capacity of the newly established power regulator and power generation and transmission utility.

Transportation

3,035 miles of roads completed

3,918 additional miles of roadway under construction

In May 2016, the **Philippines**, using MCC compact funding, successfully completed the reconstruction/rehabilitation of 174.95 kilometers of a road in the Samar and Eastern Samar provinces of the country that will help lower transport costs and travel time and opens up possibilities for new markets. For the **Niger** Compact, investments were prepared for the upgrading of 307 km (191 miles) of roads to international standards, and enhancement of both national and regional connectivity. Implementation of technical assistance and policy reform activities that would set **Liberia** on a long-term path to a sustainable road maintenance were started.

Water and Sanitation**7,401,563 estimated beneficiaries of improved water and sanitation services.**

MCC supports capital improvements and policy and institutional reforms to improve the level and quality of water and sanitation services in partner countries. MCC's five year compact with **Jordan**, for example, closed in FY 2016 after investing more than \$200 million for rehabilitation and construction of water supply and wastewater infrastructure including investment in the As-Samra wastewater treatment plant where treated effluent will be diverted for agricultural use saving precious bulk water supply for this water poor nation. MCC's compact investment in **Zambia** is strengthening the main water utility company to improve billings and collections and provide more reliable service to its customers. In **Sierra Leone**, MCC is partnering with the government on a threshold program to implement policy reforms, build institutional capacity and improve governance in the water sector in Freetown. A comprehensive assessment of the water utility in Guma Valley was conducted to determine the priority areas of assistance for strengthening utility performance but because a cost-benefit analysis is not required for threshold program assistance, the estimated number of beneficiaries above does not include the Sierra Leone beneficiaries.

Agriculture and Irrigation**309,997 farmers trained****504,004 acres under improved irrigation**

In July 2016, MCC signed a \$437 million compact with **Niger** focused on strengthening the agricultural sector. Through the compact's Irrigation and the Market Access Project, MCC will work with the Government of Niger to improve irrigation, including the rehabilitation and development of three large-scale irrigation systems in the Dosso and Tahoua regions, to increase crop yields, sustainable fishing and livestock productivity. In addition, the project will reform policies and institutions, including the establishment of a national water resource management plan and natural resource and land use management plans, and create local capacities to increase understanding of best-practices to sustainably use and maintain irrigation and market infrastructure.

Land**312,381 household, commercial, and legal entities gained protected land rights**

MCC works with partner countries to improve land governance and administration, strengthen property rights, and stimulate private-sector investment for more productive land use. In **Cabo Verde**, MCC has

invested to reduce the time required to register property rights and establish more conclusive land records in areas with high development potential. MCC funding was used under a pilot activity to complete surveys for 100 percent of land parcels on the island of Sal, which are now being registered. This activity led to the passage of a legal amendment in August 2016 that streamlined the land survey and registration process. MCC is now funding the survey and registration of an additional 22,824 parcels on the islands of Boa Vista, Maio, and Sao Vicente. In **Indonesia**, MCC's investment in natural resource management and renewable energy includes development of a methodology for community-based participatory mapping of village boundaries and cultural and natural resources. Following this methodology, villages are able to produce legally recognized village maps to enhance land use plans. As of September 30, 2016, MCC funding had assisted 114 communities in defining and demarcating the boundaries of their villages. Land and natural resource information systems were being installed in government offices in 35 districts across 10 provinces to provide decision-makers with the information they need to encourage investment while effectively supporting the management of their land and other natural resources.

Education

758 education facilities constructed or rehabilitated

4,459 instructors trained

215,399 students participating in MCC-supported education activities

MCC works with partner countries to ensure that students obtain the knowledge and skills demanded by the private sector. In FY 2016, **El Salvador** officially announced its commitment to reform the technical and vocational education and training (TVET) system, identifying four transformative industries to target. The Salvadorians are establishing Skills Sector Committees for each of these four industries to define demand-driven training programs to feed into the overall technical and vocational educating training system. In **Georgia**, 12 schools have been completed, with another 16 on track to be completed by December 2017 and hundreds of students will be able to move into highly improved learning environments. Also in Georgia, more than 400 people were trained and certified as trainers to conduct the first of a Leadership Academy series for school principals, and in turn, they have trained more than 1,600 principals. The MCA-Georgia TVET Facility has awarded its first round of grants totaling approximately \$12 million, slated to be disbursed in 2017. In September 2016, construction tenders were successfully launched for rehabilitation of pilot schools for MCC's Morocco Compact. Also in **Morocco**, preparations are underway to field test an innovative Integrated School Improvement Model that will eventually be implemented in approximately 100 secondary schools, and planning advanced significantly for a TVET Grant Facility as well as a results-based financing component of the compact that aims to improve job placement for women and at-risk youth. Further, the **Guatemala** threshold program now includes a TVET component.

Health

1,506 health providers trained on growth monitoring

3,866 service providers trained on community-led total sanitation triggering

11,832 service providers trained on infant and young child feeding

MCC works with partner countries to integrate sanitation, maternal and child health, and nutrition interventions to reduce stunting and increase household income. In Indonesia, MCC has committed more

than \$130 million to improve nutrition and health. MCC's Indonesia Compact includes a partnership with the World Bank using incentives-based community grants to increase the demand for health, nutrition and education services and improves the health sector's capacity to respond to increased demand at the facility and community level. In Sierra Leone, MCC has committed \$5 million to improve access to reliable and safe water and sanitation (WASH) services, and to promote WASH practices at the household level. Increased access to safe drinking water, food, and sanitation services is critical to improving children's nutritional status and preventing environmental enteropathy, which has been associated with growth failure in children.

Common Indicators

Agriculture and Irrigation (all common indicators data as of March 10, 2017)

		Process Indicators					Output Indicators					Outcome Indicators		
Cou ntry	Reg ion	(AI- 1) \$ V alue of si gne d irr igat ion feas ibili ty and desi gn c ontr acts	(AI- 2) % di sbur sed of ir rigat ion feas ibili ty and desi gn c ontr acts	(AI- 3) Val ue of si gne d irr igat ion con stru ctio n co ntra cts (US D)	(AI- 4) % di sbur sed of ir rigat ion con stru ctio n co ntra cts	(AI- 5) T em por ary em plo yme nt g ene rate d in irrig atio n	(AI- 6) Far mer s tr aine d	(AI- 7) E nter pris es a ssis ted	(AI- 8) Hec tare s un der impr oved irrig atio n	(AI- 9) Loa n b orro wers	(AI- 10) Val ue of a gric ultu ral and rura l loa ns (USD)	(AI- 11) Far mer s who app lied impr oved pra ctic es as a res ult of train ing	(AI- 12) Hec tare s un der impr oved pra ctic es as a res ult of train ing	(AI- 13) Ent erpr ises that hav e ap plie d i mpr ove d te chni que s
MC C Tot al		51,925,328	87.3%	698,425,169	90.2%	6,908	309,997	4,223	203,963	1,195	87,074,694	126,592	42,226	1,016
EAP LA* Tot al		10,686,574	93.0%	190,892,731	88.1%	2,975	118,602	1,597	11,926	1,099	66,414,932	56,496	7,279	418
AFR		41,2	85.8	507,	90.	3,93	191,	2,62	192,	96	20,6	70,	34,9	598

		Process Indicators					Output Indicators					Outcome Indicators		
Cou ntry	Reg ion	(AI- 1) \$ V alue of si gne d irr igat ion fea sibili ty and desi gn c ontr acts	(AI- 2) % di sbur sed of ir rigat ion fea sibili ty and desi gn c ontr acts	(AI- 3) Val ue of si gne d irr igat ion con struc tion co ntra cts (US D)	(AI- 4) % di sbur sed of ir rigat ion con struc tion co ntra cts	(AI- 5) T em por ary em ployme nt g ene rate d in ir rigat ion	(AI- 6) Far mer s tr aine d	(AI- 7) E nter pris es as sisted	(AI- 8) Hec tare s un der im proved i rrigat ion	(AI- 9) Loa n b orro wers	(AI- 10) Val ue of a gric ultu ral and rural loa ns (USD)	(AI- 11) Far mer s who app lied im proved prac tices as a re sult of train ing	(AI- 12) Hec tare s un der im proved prac tices as a re sult of train ing	(AI- 13) Ent erpr ises that hav e ap plie d im pro ved te chni que s
ICA Tot al		38,7 54	%	532, 438	9%	3	395	6	037		59,7 62	096	47	
Arm enia	EAP LA	4,6 01,0 73	100. 0%	106, 653, 443	100. 0%	2,38 9	45,6 39	227	-	1,00 8	13,13 3,20 0	26,4 24	-	178
El S alva dor		-	-	-	-	-	15,3 63	281	-	29	4,59 8,74 8	11,52 0	-	163
Geo rgia		1,155 ,881	53.4 %	-	-	-	-	291	-	-	19,8 80, 003	-	-	-
Hon dur as		-	-	-	-	-	7,26 5	464	400	-	17,1 00, 000	6,99 6	-	-
Indo nesi a		-	-	-	-	-	34,6 62	-	-	-	-	-	-	-
Mol dov a		4,92 9,62 0	95.7 %	84,2 39,2 88	73.0 %	586	6,56 9	334	11,52 6	62	11,7 02,9 81	2,45 2	7,27 9	77

		Process Indicators					Output Indicators					Outcome Indicators		
Cou ntry	Reg ion	(AI- 1) \$ V alue of si gne d irr igat ion fea sibili ty and desi gn c ontr acts	(AI- 2) % di sbur sed of ir rigat ion fea sibili ty and desi gn c ontr acts	(AI- 3) Val ue of si gne d irr igat ion con struc tion co ntra cts (US D)	(AI- 4) % di sbur sed of ir rigat ion con struc tion co ntra cts	(AI- 5) T em por ary em ployme nt ge nerate d in ir rigat ion	(AI- 6) Far mer s tra ined	(AI- 7) E nter pris es as sisted	(AI- 8) Hec tare s un der im proved i rrigat ion	(AI- 9) Loa n b orro wers	(AI- 10) Val ue of a gricu ltural and ru ral loa ns (USD)	(AI- 11) Far mer s who app lied im proved practic es as a resu lt of tra ining	(AI- 12) Hec tare s un der im proved practic es as a resu lt of tra ining	(AI- 13) Ent erpr ises that hav e ap plie d im prove d tech niques
Nica rag ua		-	-	-	-	-	9,10 4	-	-	-	-	9,10 4	-	-
Bur kina Fas o	AFR ICA	17,2 68,4 74	74.8 %	74,3 39,4 48	95.3 %	2,41 4	12,3 07	278	2,24 0	96	2,80 2,0 00	8,23 7	3,36 9	28
Cab o V erd el		-	-	5,16 7,84 8	97.6 %	-	553	-	13	-	617, 000	106	-	-
Gha na		5,20 2,88 7	100. 0%	13,0 09, 963	100. 0%	-	66,9 30	1,72 4	514	-	16,7 40, 762	59, 060	-	535
Mad aga scar		-	-	-	-	-	31,3 66	324	-	-	-	1,89 2	-	1
Mali		9,07 7,22 0	98.2 %	148, 951, 503	98.3 %	-	1,30 8	-	97,5 03	-	500 ,00 0	801	-	-
Mor occ		-	-	111,3 53,0	99. 0%	-	40, 863	114	53,3 76	-	-	-	31,5 78	34

		Process Indicators					Output Indicators					Outcome Indicators		
Cou ntry	Reg ion	(AI- 1) \$ V alue of si gne d irr igat ion fea sibili ty and desi gn c ontr acts	(AI- 2) % di sbur sed of ir rigat ion fea sibili ty and desi gn c ontr acts	(AI- 3) Val ue of si gne d irr igat ion con struc tion co ntra cts (US D)	(AI- 4) % di sbur sed of ir rigat ion con struc tion co ntra cts	(AI- 5) T em por ary em ployme nt g ene rate d in ir rigat ion	(AI- 6) Far mer s tr aine d	(AI- 7) E nter pris es a ssis ted	(AI- 8) Hec tare s un der im prov ed i rrigat ion	(AI- 9) Loa n b orro wer s	(AI- 10) Val ue of a gric ultu ral and rura l loa ns (USD)	(AI- 11) Far mer s who app lied im prov ed pra ctic es as a resu lt of tra inin g	(AI- 12) Hec tare s un der im prov ed pra ctic es as a resu lt of tra inin g	(AI- 13) Ent erpr ises that hav e ap plie d i mpr ove d te chni que s
o				27										
Moz amb ique		-	-	-	-	-	28,8 30	186	-	-	-	-	-	-
Na mibi a		-	-	-	-	-	9,23 8	-	-	-	-	-	-	-
Sen egal		9,69 0,17 3	86.3 %	154, 710, 649	75.0 %	1,51 9	-	-	38,3 91	-	-	-	-	-
Gen der*														
Fem ale						227	58,8 03	107		121	924, 102	17,6 60		20
Mal e						4,29 2	145, 080	413		1,06 6	13,5 80, 879	40, 077		85

*Europe, Asia, Pacific, Latin America

**Gender totals may not match overall totals due to lack of gender counting in earlier compacts (applies to

all common indicator tables).

Data are preliminary and subject to adjustment. Grey shading indicates close-out compacts; data revision is not expected for these compacts. Indicators in this Results Framework may be added, removed, or modified as MCC's investments in education evolve over time. All MCC education programs have as their long-term end goal an increase in individual or household income and a corresponding decrease in poverty (applies to all common indicator tables).

Education

		Process Indicators		Output Indicators			Outcome Indicators		
Country	Region	(E-1) Value of signed educational facility construction, rehabilitation, and equipping contracts (USD)	(E-2) Percent disbursed of educational facility construction, rehabilitation, and equipping contracts	(E-3) Legal, financial, and policy reforms adopted	(E-4) Educational facilities constructed or rehabilitated	(E-5) Instructors trained	(E-6) Students participating in MCC-supported education activities	(E-7) Graduates from MCC-supported education activities	(E-8) Employed graduates of MCC-supported education activities
MCC Total		180,344,006	102.8%	5	758	4,459	215,399	62,211	-
EAPLA Total		38,036,913	118.3%	5	52	1,850	48,391	16,252	-
AFRICA Total		142,307,093	98.7%	-	706	2,609	167,008	45,959	-
El Salvador I	EAPLA	9,857,585	99.8%	-	22	378	30,672	4,285	-
El Salvador II		-	-	-	-	-	-	-	-
Georgia II		13,721,844*	67.0%	-	12	102	239	-	-
Mongolia		28,179,328	97.6%	5	18	1,370	17,480	11,967	-
Burkina Faso	AFRICA	22,758,000	99.9%	-	396	557	31,065	4,035	-

		Process Indicators		Output Indicators			Outcome Indicators		
Country	Region	(E-1) Value of signed educational facility construction, rehabilitation, and equipping contracts (USD)	(E-2) Percent disbursed of educational facility construction, rehabilitation, and equipping contracts	(E-3) Legal, financial, and policy reforms adopted	(E-4) Educational facilities constructed or rehabilitated	(E-5) Instructors trained	(E-6) Students participating in MCC-supported education activities	(E-7) Graduates from MCC-supported education activities	(E-8) Employed graduates of MCC-supported education activities
Burkina Faso	A	211							
Ghana		18,689,747	100.0%	-	250	-	41,019	-	-
Morocco		4,568,837	76.2%	-	-	2,052	93,424	41,383	-
Namibia		96,290,298	99.2%	-	60	-	1,500	541	-
Gender*									
Female						2,330	72,902	36,990	-
Male						2,129	64,321	20,513	-

*Number decreased due to the negative value of the variation orders.

Land

	Output Indicators	Outcome Indicators

Country	Region	(L-1) Legal and regulatory reforms adopted	(L-2) Land administration offices established or upgraded	(L-3) Stakeholders trained	(L-4) Conflicts successfully mediated	(L-5) Parcels corrected or incorporated in land system	(L-6) Land rights formalized	(L-7) Percentage change in time for property transactions	(L-8) Percentage change in cost for property transactions
MCC Total		123	384	75,522	12,255	329,659	312,381	NA	NA
EAPLA Total		6	15	5,944	10,639	18,336	20,672	NA	NA
AFRICA Total		117	369	69,578	1,616	311,323	291,709	NA	NA
Indonesia	EAPLA	-	-	2,024	-	-	-	-	-
Mongolia		6	15	3,920	10,639	18,336	20,672	-	-
Nicaragua		-	-	-	-	-	-	-	-
Benin	AFRICA	-	-	50	-	-	-	-	-
Burkina Faso		54	78	61,057	1,364	18,490	4,793	-	-
Cabo Verde II		25	23	435	-	14,179	596	-	-
Ghana		4	3	427	23	1,481	-	-	-
Lesotho		11	1	575	151	53,296	21,753	-93	-
Madagascar		4	237	-	-	-	-	-	-
Mali		-	1	1,354	-	-	-	-	-
Mozambique		-	26	1,516	-	205,005	251,556	-	-
Namibia		19	-	2,524	-	8,869	4,356	-	-
Senegal		-	-	1,640	78	10,003	8,655	-	-

		Output Indicators						Outcome Indicators	
Country	Region	(L-1) Legal and regulatory reforms adopted	(L-2) Land administration offices established or upgraded	(L-3) Stakeholders trained	(L-4) Conflicts successfully mediated	(L-5) Parcels corrected or incorporated in land system	(L-6) Land rights formalized	(L-7) Percentage change in time for property transactions	(L-8) Percentage change in cost for property transactions
I									
Gender*									
Male				53,040			84,020		
Female				21,326			54,065		
Joint							18,498		
Location*									
Urban						189,641	147,564		
Rural						86,722	122,392		

Power

		Process Indicators	Output Indicators

Co unt ry	Re gio n	(P- 1) Val ue of s ign ed po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P- 2) Per cen t di sbu rse d of po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P-3) Value of signed power in frastruct ure cons truction contract s	(P-4) Percent disburse d of power in frastruct ure cons truction contract s		(P- 5) Te mp ora ry em plo ym ent ge ner ate d in po we r in fra str uct ure con str uct ion	(P- 6) Ge ner ati on cap aci ty ad de d	(P- 7 an d P -10) Km line s u pgr ad ed or bui lt	(P- 8) Tra ns mis sio n t hro ug hp ut cap aci ty ad de d	(P- 9 an d P -11) Su bst ati on cap aci ty ad de d	(P- 12) Cus to me rs a dd ed by pro jec t	(P-13) M aintenan ce expe nditure- asset value ratio	(P- 14) Co st-r efl ect ive tari ff r egi me
MC C T ota l		21,6 91, 03 2	105.6%	44 2,3 84, 317	41. 6%	4,073	44	44	4,2 94	NA	-	35, 412	NA	N A
EA PL A T ota l		-	0.0%	0	0.0 %	-	-	-	1,52 3	NA	-	35, 412	NA	N A
AF RIC A t ota l		21,6 91, 03 2	105.6%	44 2,3 84, 317	41. 6%	4,073	44	44	2,7 72	NA	-	-	NA	N A
El Sal vad or	EA PL A	-	-	-	-	-	-	-	1,52 3	-	-	35, 412	-	-
Ge		-	-	-	-	-	-	-	-	-	-	-	-	

		Process Indicators					Output Indicators						
Co unt ry	Re gio n	(P- 1) Val ue of s ign ed po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P- 2) Per cen t di sbu rse d of po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P-3) Value of signed power in frastruct ure cons truction contract s	(P-4) Percent disburse d of power in frastruct ure cons truction contract s	(P- 5) Te mp ora ry em plo ym ent ge ner ate d in po we r in fra str uct ure con str uct ion	(P- 6) Ge ner ati on cap aci ty ad de d	(P- 7 an d P -10) Km line s u pgr ad ed or bui lt	(P- 8) Tra ns mis sio n t hro ugh put cap aci ty ad de d	(P- 9 an d P -11) Su bst ati on cap aci ty ad de d	(P- 12) Cus to me rs a dd ed by pro jec t	(P-13) M aintenan ce expe nditure- asset value ratio	(P- 14) Co st-r efl ect ive tari ff r egi me
org ia													
Ind one sia		-	-	-	-	-	-	-	-	-	-	-	-
Mo ng olia		-	-	-	-	-	-	-	-	-	-	-	-
Gh ana	AF RIC A	-	-	-	-	-	-	99				-	-
Gh ana II		-	-	-	-	-	-	-	-	-	-	-	-
Lib eria ***		-	-	76, 72 0,7 36	100 .0%	-	44	-	-	-	-	-	-

		Process Indicators						Output Indicators						
Co unt ry	Re gio n	(P-1) Val ue of s ign ed po we r in fra str uct ure fea sibi lity an d d esi gn con tra cts	(P-2) Per cen t di sbu rse d of po we r in fra str uct ure fea sibi lity an d d esi gn con tra cts	(P-3) Value of signed power in frastruct ure cons truction contract s	(P-4) Percent disburse d of power in frastruct ure cons truction contract s	(P-5) Te mp ora ry em plo ym ent ge ner ate d in po we r in fra str uct ure con str uct ion	(P-6) Ge ner ati on cap aci ty ad de d	(P-7 an d P -10) Km line s u pgr ad ed or bui lt	(P-8) Tra ns mis sio n t hro ugh put cap aci ty ad de d	(P-9 an d P -11) Su bst ati on cap aci ty ad de d	(P-12) Cus to me rs a dd ed by pro jec t	(P-13) M aintenan ce expe nditure- asset value ratio	(P-14) Co st-r efl ect ive tari ff r egi me	
Mal awi		5,943,608	98.0%	212,111,028	30.0%	-	-	-	-	-	-	-	-	
Tan zan ia		15,747,424	108.6%	153,552,553	85.3%	4,073	-	2,673	-	-	-	-	-	
T&D														
Tra ns mis sio n		-	-	-	-	-	-	-	-	-	-	-	-	
Dis trib uti		-	-	-	-	-	-	4,294	-	-	-	-	-	

		Process Indicators					Output Indicators						
Co unt ry	Re gio n	(P- 1) Val ue of s ign ed po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P- 2) Per cen t di sbu rse d of po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P-3) Value of signed power in frastruct ure cons truction contract s	(P-4) Percent disburse d of power in frastruct ure cons truction contract s	(P- 5) Tem pora ry em plo ym ent ge ner ate d in po we r in fra str uct ure con str uct ion	(P- 6) Ge ner ati on cap aci ty ad de d	(P- 7 an d P -10) Km line s u pgr ad ed or bui lt	(P- 8) Tra ns mis sio n t hro ugh put cap aci ty ad de d	(P- 9 an d P -11) Su bst ati on cap aci ty ad de d	(P- 12) Cus to me rs a dd ed by pro jec t	(P-13) M aintenan ce expe nditure- asset value ratio	(P- 14) Co st-r efl ect ive tari ff r egi me
on													
Ge nd er*													
Fe mal e						-					-		
Mal e						-					-		
Gri d													
On -gri d								-					
Off -gri d								-					

		Process Indicators					Output Indicators							
Co unt ry	Re gio n	(P-1) Val ue of s ign ed po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P-2) Per cen t di sbu rse d of po we r in fra str uct ure fea sibi lity and desi gn con tra cts	(P-3) Value of signed power in frastruct ure cons truction contract s	(P-4) Percent disburse d of power in frastruct ure cons truction contract s	(P-5) Te mp ora ry em plo ym ent ge ner ate d in po we r in fra str uct ure con str uct ion	(P-6) Ge ner ati on cap aci ty ad de d	(P-7 an d P -10) Km line s u pgr ad ed or bui lt	(P-8) Tra ns mis sio n t hro ugh put cap aci ty ad de d	(P-9 an d P -11) Su bst ati on cap aci ty ad de d	(P-12) Cus to me rs a dd ed by pro jec t	(P-13) M aintenan ce expe nditure- asset value ratio	(P-14) Co st- efl ect ive tari ff r egi me	
Tar iff c lass														
Res ide ntia l											-			
Co m me rcia l												-		
Ind ust rial													-	

Power (continued)

		Outcome Indicators											
Cou ntry	Regi on	(P-1 5) Tota l ele ctric ity s uppl y	(P-1 6) P owe r plan t av aila bilit y	(P-1 7) In stall ed gen erati on c apa city	(P-1 8) T rans miss ion s yste m te chni cal l osse s (%)	(P-1 9) D istri buti on s yste m l os ses	(P-2 0) C om mer cial l osse s	(P-2 1) Sy ste m A vera ge I nter rupt ion Dura tion Inde x (S AIDI)	(P-2 2) S yste m A vera ge I nter rupt ion Freq uen cy I nde x (S AIFI)	(P-2 3) Tota l ele ctric ity sold	(P-2 4) Ope ratin g co st-re cov ery ratio	(P-2 5) P erce ntag e of hous ehol ds c onn ecte d to the nati onal grid	(P-2 6) S hare of re new able ener gy in the cou ntry
MCC Tota l		4,69 6,46 3	0.9	4,89 8	NA	NA	NA	NA	NA	1,85 8,36 5	NA	NA	NA
EAP LA Tota l		0	0.0	0	NA	NA	NA	NA	NA	0	NA	NA	NA
AFR ICA total		4,69 6,46 3	0.9	4,89 8	NA	NA	NA	NA	NA	1,85 8,36 5	NA	NA	NA
EI S alva dor	EAP LA	-	-	-	-	-	-	-	-	-	-	-	-
Geor gia		-	-	-	-	-	-	-	-	-	-	-	-
Indo nesi a		-	-	-	-	-	-	-	-	-	-	-	-
Mon golia		-	-	-	-	-	-	-	-	-	-	-	-
Gha na	AFR ICA	-	-	-	-	-	-	-	-	-	-	-	-
Gha na II		4,69 6,46 3	-	3,94 9	-	-	-	17	26	-	-	-	-

		Outcome Indicators											
Cou ntry	Regi on	(P-1 5) Tota l ele ctric ity s uppl y	(P-1 6) P owe r plan t avai lability	(P-1 7) In stall ed gen erati on c apacity	(P-1 8) T rans mission syste m tech nical l osse s (%)	(P-1 9) D istri bution syste m los ses	(P-2 0) C om mer cial l osse s	(P-2 1) Sy ste m A vera ge I nter rupt ion Dura tion Inde x (S AIDI)	(P-2 2) S yste m A vera ge I nter rupt ion Freq uen cy I nde x (S AIFI)	(P-2 3) Tota l ele ctric ity sold	(P-2 4) Ope ratin g co st-re cov ery ratio	(P-2 5) P erce ntag e of hous ehol ds c onn ecte d to the nati onal grid	(P-2 6) S hare of re new able ener gy in the cou ntry
Libe ria** *		-	-	-	-	-	-	-	-	5,031	-	-	-
Malawi		-	0.93		5.7	12.9	-	-	-	1,527,565	96.70	-	-
Tanzania		-	-	949	-	-	-	-	-	325,769	-	-	-
T&D													
Trans mission		-	-	-	-	-	-	-	-	-	-	-	-
Distr ibuti on		-	-	-	-	-	-	-	-	-	-	-	-
Gen der													
Fem ale													
Male													
Grid													
On- grid				-									
Off- grid				-									

		Outcome Indicators											
Cou ntry	Regi on	(P-1 5) Tota l ele ctric ity s uppl y	(P-1 6) P owe r plan t av aila bilit y	(P-1 7) In stall ed gen erati on c apa city	(P-1 8) T rans miss ion s yste m tech nical l osse s (%)	(P-1 9) D istri buti on s yste m lo sses	(P-2 0) C om mer cial l osse s	(P-2 1) Sy ste m A vera ge I nter rupt ion Dura tion Inde x (S AIDI)	(P-2 2) S yste m A vera ge I nter rupt ion Freq uen cy I nde x (S AIFI)	(P-2 3) Tota l ele ctric ity sold	(P-2 4) Ope ratin g co st-re cov ery ratio	(P-2 5) P erce ntag e of hous ehol ds c onn ecte d to the nati onal grid	(P-2 6) S hare of re new able ener gy in the cou ntry
Tarif f class													
Resi dent ial										-			
Com mer cial										-			
Indu strial										-			

Roads

	Process Indicators	Out puts	Outcome Indicators

Coun try	Regi on	(R-1) Valu e of sign ed road feasi bility and desi gn c ontr acts	(R-2) % road feasi bility & de sign contr acts disb urse d	(R-3) Kilo mete rs of road s unde r des ign	(R-4)) Valu e of sign ed road cons truct ion c ontr acts	(R-5) Perc ent d isbur sed of road cons truct ion c ontr acts	(R-6)) Kil omet ers of road s unde r wor ks co ntrac ts	(R-7) Tem pora ry e mplo yme nt ge nerat ed in road cons truct ion	(R-8) Kilo mete rs of road s co mple ted	(R-9)) Ro ughn ess	(R-1 0) A ver age annu al daily traffi c	(R-11)) Road traffi c fat alitie s
MCC Total		130,4 99,16 0	96.7 %	4,46 5	2,34 5,95 8,621	88.8 %	3,918	49,8 22	3,03 5	NA	NA	655
EAP LA Total		64,0 75,77 1	93%	1,791	1,084 ,655, 312	90%	1834. 3	1,309	1,749	-	-	-
AFRI CA Total		66,4 23,3 89	100%	2,67 5	1,261, 303, 310	87%	2083 .4	48,51 3	1,286	-	-	651
Arm enia	EAP LA	-	-	-	-	-	-	-	24.4	3.47	735	-
El Sa lvad or I		18,32 1,410	99%	223	248, 378, 825	97%	223. 0	-	223.3 2	-	-	-
El Sa lvad or II		-	-	32	-	-	-	-	-	-	-	-
Geor gia		11,98 0,00 0	99%	-	197,2 99,0 30	100%	220. 2	-	220. 20	1.50	1,092	-
Hon dura s		9,50 0,00 0	75%	673	179,4 00,0 00	72%	673. 0	-	610.1 0	-	-	-
Mold ova		-	-	96	100,8 07,4 43	96%	96.0	1,309	96	-	-	4
Mon golia		6,08 3,65 0	89%	19.3	73,10 8,90 7	91%	176.4	-	176.4 0	1.90	353	-

		Process Indicators							Outputs	Outcome Indicators		
Country	Region	(R-1) Value of signed road feasibility and design contracts	(R-2) % road feasibility & design contracts disbursed	(R-3) Kilometers of roads under design	(R-4) Value of signed road construction contracts	(R-5) Percent disbursed of road construction contracts	(R-6) Kilometers of roads under works contracts	(R-7) Temporary employment generated in road construction	(R-8) Kilometers of roads completed	(R-9) Roughness	(R-10) Average annual daily traffic	(R-11) Road traffic fatalities
Nicaragua		-	-	375.5	56,507,526	100%	74.0	-	74.0	-	-	-
Philippines		15,235,623	94%	222.0	173,156,531	81%	222.0	-	175.0	-	-	-
Vanuatu		2,955,088	100%	150	55,997,051	97%	149.7	-	149.70	3.00	-	-
Burkina Faso	AFRICA	8,339,651	115%	536	140,205,145	102%	419.1	4,162	277.80	-	-	6
Cape Verde		3,520,000	92%	63	24,280,000	100%	40.6	-	40.60	2.00	-	-
Ghana		5,549,044	100%	943	250,604,022	100%	446.4	35,455	445.03	-	-	602
Mali		-	-	-	42,918,038	35%	81.0	-	79.00	-	-	-
Mozambique		17,669,992	85%	253	132,240,557	88%	253.0	2,308	253	-	-	-
Senegal		12,201,371	102%	406	271,128,882	70%	375.0	2,757	***	-	-	43

		Process Indicators							Outputs	Outcome Indicators		
Country	Region	(R-1) Value of signed road feasibility and design contracts	(R-2) % road feasibility & design contracts disbursed	(R-3) Kilometers of roads under design	(R-4) Value of signed road construction contracts	(R-5) Percent disbursed of road construction contracts	(R-6) Kilometers of roads under works contracts	(R-7) Temporary employment generated in road construction	(R-8) Kilometers of roads completed	(R-9) Roughness	(R-10) Average annual daily traffic	(R-11) Road fatalities
Tanzania		19,143,331	107%	473	399,926,666	91%	468.34	3,831	190.14	-	-	-
Road Type												
Primary		65,222,944	23%	2,093	1,342,644,867	90%	1,867		1,177.58			
Secondary		24,735,623	87%	1,374	617,229,323	85%	1,133		478.65			
Tertiary		6,719,183	112%	935	164,505,401	66%	681		1,077.77			

Water Supply, Sanitation, and Hygiene

		Process Indicators	Output Indicators

Country	Region	(WS-1) Value of signed water and san itation f easibilit y and design contrac ts (USD)	(WS-2) Percent disburs ed of water and san itation f easibilit y and design contrac ts	(WS-3) Value of signed water and san itation constru ction co ntracts (USD)	(WS-4) Percent disburs ed of water and san itation constru ction co ntracts	(WS-5) Tempor ary emp loyment generat ed in water and san itation constru ction	(WS-6) People trained in hygiene and sanitary best pr actices	(WS-7) Water points c onstruc ted
MCC Total		56,578, 874	95.5%	792,715, 247	75.6%	21,241	12,135	1,181
EAPLA Total		5,250,6 65	96.2%	303,498 ,694	97.9%	3,825	2,406	-
AFRICA Total		51,328,2 09	95.4%	489,216, 552	61.7%	17,416	9,729	1,181
El Salvado r	EAPLA	4,983,8 00	96.0%	10,451,4 48	97.5%	-	2,406	-
Georgia		266,865	100.0%	54,315,0 00	94.2%	-	-	-
Jordan		-	0.0%	238,732, 246	98.7%	3,825	-	-
Cabo Verde II	AFRICA	730,419	71.8%	17,207,0 69	48.9%	1115	32	-
Ghana		1,475,14 8	100.0%	13,949,4 65	100.0%	-	778	392
Lesotho		3,594,13 3	100.0%	59,733, 645	89%	11,527	454	175
Mozam bique		35,076, 009	99.1%	169,500 ,497	87.5%	2,276	8,400	614
Tanzani a		6,861,28 0	102.1%	45,403, 796	81.1%	387	-	-
Zambia		3,591,22 0	60.0%	183,422, 080	27.6%	2,111	65	-
Gender								
Female						918	5,777	

		Process Indicators					Output Indicators	
Country	Region	(WS-1) Value of signed water and san itation f easibilit y and design contrac ts (USD)	(WS-2) Percent disburs ed of water and san itation f easibilit y and design contrac ts	(WS-3) Value of signed water and san itation constru ction co ntracts (USD)	(WS-4) Percent disburs ed of water and san itation constru ction co ntracts	(WS-5) Tempor ary emp loyment generat ed in water and san itation constru ction	(WS-6) People trained in hygiene and sanitary best pr actices	(WS-7) Water points c onstruc ted
Male						8,409	5,904	

Water Supply, Sanitation, and Hygiene (continued)

		Outcome Indicators										
Coun try	Regi on	(WS- 8) Non reve nue water	(WS- 9) C ontin uity of se rvice	(WS- 10) O perating cost cover age	(WS- 11) Volu me of water produce d*	Resi denti al po pulat ion c onne cted to se wer sys tem*	Resi denti al po pulat ion*	(WS- 12) A cces s to i mpr oved water sup ply	(WS- 13) A cces s to i mpr oved sanit ation	(WS- 14) R esid entia l water con sum ption*	(WS- 15) I ndus trial/ Com merc ial water con sum ption*	(WS- 16) I ncid ence of di arrhe a*
MCC Total		44.3 %	NA	NA	221,9 30,0 00	NA	NA	NA	NA	NA	NA	NA
EAP LA Total		50.7 %		-	-	-	-	-	-	-	-	
AFRI CA Total		37.9 %		-	221,9 30,0 00	-	-	-	-	-	-	-
El Sa lvad or	EAP LA	-		-	-	-	-	83.0 %	88%			

		Outcome Indicators										
Country	Region	(WS-8) Non revenue water	(WS-9) Continuity of service	(WS-10) Operating cost coverage	(WS-11) Volume of water produced*	Residential population connected to sewer system*	Residential population*	(WS-12) Access to improved water supply	(WS-13) Access to improved sanitation	(WS-14) Residential water consumption*	(WS-15) Industrial/Commercial water consumption*	(WS-16) Incidence of diarrhea*
Georgia		-	-	-	-	-	-	-	-	-	-	-
Jordan		51%		86%	-	-	-	-	67%	54.1	-	3.1
Cabo Verde II	AFRICA	-	-	-	-	-	-	-	-	20.0		-
Ghana		-	-	-	-	-	-	-	-	36.0	-	-
Lesotho		27.0 %	-	-	-	-	-	-	-	-	-	-
Mozambique		-	-	-	-	-	-	23.4 %	-	19.5	-	-
Tanzania		48.8 %	-	113.1 %	200,330,000	-	-	-	-	166.5	998,439.6	-
Zambia		45.6 %		112.0 %	21,600,000		-	-	-	-	-	-
Gender												
Female												
Male												

*This is a monitoring indicator; any change over baseline data represents the current trend and does not represent the direct impact of MCC investment.

FY 2017 Corporate Priorities

For FY 2017, MCC management established seven specific priorities to guide agency planning and performance for the year. These goals are intended to advance and deliver high quality programs, improve organizational health and effectiveness, and set MCC up for long term success. As in past years, these corporate priorities are the starting point for annual department and division goal-setting, from which staff develop their individual performance plans. Below you will find MCC's FY 2017 corporate priorities with a brief description of MCC's progress to date.

Corporate Priority	Progress
Advance and deliver high-quality compacts in a timely manner.	As described above, MCC is on target to present compact programs for Nepal and Cote d'Ivoire to MCC's Board of Directors for approval in FY 2017, and has maintained progress on development of Mongolia, Senegal, and Sri Lanka compacts to facilitate success in FY 2018.
Effectively oversee compacts in implementation.	Key indicators for compact implementation are on track, with entry into force anticipated for the Benin and Morocco compacts in FY 2017. Additionally, a successful close out in Jordan, and planning for compact closure in Cabo Verde is currently underway.
Advance and deliver high-quality threshold programs in a timely manner and effectively oversee programs in implementation.	Programs for Kosovo and Togo are anticipated to be presented to MCC's Board in FY 2017, with implementation on track in Honduras, Guatemala and Sierra Leone.
Develop a strong and dynamic knowledge management system, set of business practices, and tools to systematically share and deploy learning and results internally and externally.	MCC recently initiated an assessment of the agency's knowledge management practices, which is scheduled to be completed by the end of FY 2017.
Develop and deploy corporate risk and portfolio management tools to inform resource allocation and strategic decisions.	In accordance with OMB Circular A-123, MCC's Chief Risk Officer is leading preparation of MCC's risk profile, with the support of a recently established internal risk committee. The risk profile is on track to be delivered in FY 2017.
Enable transparent and efficient decision-making and integrate MCC CLEAR values and norms into daily operations to	MCC initiated a new Executive Decision Group to make decision making more efficient and transparent. The agency also

Corporate Priority	Progress
facilitate program success and strengthen organizational health.	developed new compact development guidelines and refined MCC's investment criteria to provide technical teams and our country partners with clear standards and more timely guidance from management.
Strengthen and motivate agency workforce through data-driven workforce planning, consistent performance expectations, and improved performance management systems and feedback.	MCC initiated implementation of a new performance management system, including standardization of performance expectations and new business practices for employee feedback and oversight. Ongoing workforce planning efforts will be incorporated into MCC's agency reform plan, in accordance with OMB guidance.

Endnotes

1. The table includes estimates for compacts that have ERRs from which income benefit calculations can be drawn. Information for Indonesia is only available for one out of three projects at this time.
2. These estimates do not include the projected beneficiaries of projects or activities that have been terminated or suspended by MCC (Madagascar, Honduras, Nicaragua, Mali, and Armenia). In the case of Madagascar, the estimates account for the compact's early termination.
3. The Present Value (PV) of Benefits is the sum of all projected benefits accruing over the life of the project, typically 20 years, evaluated at a 10% discount rate. Estimates are reported in millions of US\$ in the year that the ERR analysis was completed. Because the PV of benefits uses a discount rate, these figures cannot be compared directly to the undiscounted financial costs of MCC compacts, but must be compared to the PV of costs instead.
4. The table includes estimates for compacts that have ERRs from which income benefit calculations can be drawn. Information for Indonesia is only available for one out of three projects at this time.
5. Column totals may not equal the sum of the individual rows due to rounding.

Reducing Poverty Through Growth

